

Azqore's Growth in Asia Propelled by Twin DNA Engines of Banking and IT

Yves Saint-Marc Girardin, the Singapore-based CEO of Asia for Back Office and IT solutions provider Azqore, believes the firm he is helping drive forward in the region offers clients the best of both worlds by bringing its IT and banking DNA to the table. He met recently with Hubbis to explain how Azqore, controlled by Crédit Agricole/Indosuez Wealth Management and boasting Capgemini as a new 20% partner since late 2018, is ideally positioned to exploit the market in Asia today, as well as to benefit from the emerging trends that are opening new business opportunities and new doors in the region.

Formerly known as Crédit Agricole Private Banking Services (CA-PBS), Back Office and IT solutions company Azqore is 28 years old and was re-branded to its new name in July 2018 as it became an independent subsidiary of Indosuez Wealth Management, the wealth management arm of the Crédit Agricole Group, paving the way to global IT services giant Capgemini taking a 20% stake in the firm. "Today," Saint-Marc Girardin reports, "we have the best of both worlds, which is ideal for our relatively recent expansion in Asia. In Azqore, we have banking expertise, including compliance, security and operational risk management deep inside our DNA, as this is what we have been doing as part of Crédit Agricole for 28 years. With Capgemini, we bring in strong digital and IT transformation expertise."

Saint-Marc Girardin, therefore, maintains that unlike other competitors that may only be IT providers, Azqore offers two vital strengths. "When you enter in a partnership with Azqore, you also enter in partnership with the Crédit Agricole Group and Capgemini, which has remarkable breadth of expertise and access to the world of IT and fintechs, as well as potentially to other clients through their extensive global network."

Although Azqore was only set up in 2016 in Asia through its Singapore hub, the firm has already built a substantial presence, with a team of 150 strong in Singapore and growing rapidly, with a target to reach 250 in strength in 2020.

RESOURCE-BUILDING

"We have five major clients in this region," Saint-Marc Girardin reports, "out of 31 clients globally, and clearly each client requires

Azqore's key priorities for Asia

Saint-Marc Girardin closes the discussion by focusing on what he sees as his key priorities for Azqore in the year ahead.

"First, we are looking at expanding our market share in Asia," he reports, "and secondly we must focus on further building out our teams in Singapore in order to provide locally the full range of services Azqore can offer. Our third priority consists in accompanying our customers in their own digital transformation. In order to do so, we plan to accelerate the rollout of our API library and of our data platform."

Saint-Marc Girardin expands on the last of these priorities, noting that it is vital for Azqore to provide more sophisticated means for digital interactions with the clients on its e-banking and mobile banking platforms as well as make the connections with third parties easier.

"It is important to understand that our older systems were not designed to be open," he explains, "so there is tremendous work required to make sure that we can interface our system with innovative propositions provided by third-parties, be those from FinTech's, or well-known vendors. We know that wealth management firms want to improve their clients' customer experience, client onboarding process for example, and provide more data analytics and personalized services. We also know that some banks have already invested a lot into CRM and portfolio management services, so we must offer clients an interface between S2i and their own existing platforms in order to convince them to use our services. We are addressing this technical challenge by implementing a library of standard APIs that we can use to interconnect with as many systems as we want and not need to develop APIs each time there is a new system."

significant resource. It has been exactly the right move to expand out here in Asia, to get closer to our clients here and to build on our potential. Having a hub in Asia is allowing us to really understand the market and the needs of the clients in this region. Moreover, there is a lot of IT and digital expertise available here in Asia, so it is all coming together nicely."

Further commenting on the firm's USP, Saint-Marc Girardin believes the key differentiator is the combination of its strong banking DNA which allows Azqore to understand and stay abreast of Clients' needs allied with its technological expertise which empowers the firm to partner Clients on their digital innovation and transformation journey.



YVES SAINT-MARC GIRARDIN
Azqore

UNDERSTANDING THE CLIENTS

"Clients appreciate our very considerable sensitivity to compliance, security, data confidentiality, and our commitment to teamwork integration with the clients," he comments. "Our fee model is also very simple, based on business indicators, the AUM and other key factors, so it is very predictable, our clients quickly know their operating costs for IT and operations. Transparency is vital."

For the time being, as far as Asian market is concerned, Azqore only focuses on clients and prospects in Singapore and Hong Kong, as the firm, for now at least, wants to operate only where Indosuez is located. The five clients currently include Bank of China in Singapore, UBP in Singapore and Hong Kong and of course CA Indosuez itself in both locations.

KEEPING CLIENTS COMPLIANT

"We must make sure that our platform remains compliant with all the new regulations where our clients operate," he explains, "so we leverage our Indosuez monitoring

Getting Personal with Yves Saint-Marc Girardin

Born in Paris and educated there through to university, where he studied engineering with a speciality in finance and banking, Saint-Marc Girardin began his career working for a UK architectural firm, then moved to Microsoft in Dublin for two years and joined CA Indosuez in 2000, first in Luxembourg, then in France and Switzerland from 2006.

He moved to Singapore in 2015 and is married but as yet with no children. "My passion is aeroplanes and flying," he explains, "and I have a valid pilot's license for France and Switzerland as a private pilot for single-engine aircraft. And we love travelling, so Singapore is ideal as a base for that. Recent trips include Cambodia and Vietnam, both of which offered some fascinating and delightful experiences."

teams. There is no doubt that from our experience in the region and the number of enquiries we have in recent months, there is a clearly growing trend for IT and back-office outsourcing."

THINKING ABOUT THE EAM COMMUNITY

Saint-Marc Girardin also highlights Azqore's proprietary S2i platform, which offers integrated technology services, an operational back office and consulting services for a range of projects.

"We certainly see opportunities for leveraging the S2i platform in the EAM and family office spaces, although we are not fully yet ready for this," he explains, "When we are ready, we will be able to offer External Asset Managers a solution which gives them full access to the S2i platform, through which they can manage their clients, essentially through what is a consolidation platform."

Saint-Marc Girardin closes the discussion with an observation that

the technology outsourcing and banking transactions market for wealth management companies and private banks is expected to grow by more than 10% in 2020. "We are well-positioned to benefit from that growth," he reports, "as Azqore's offering today enables banks to significantly reduce their operating costs for technology and banking transactions, in order to invest more efficiently in digital transformation and the quality of the customer experience."

READY, WILLING AND ABLE...

His last word is that as wealth management players face an increasingly complex regulatory environment and the need to strengthen their operational efficiency, the combination of our banking expertise, notably in processing transactions and risk management, with Capgemini's expertise in digital and technology services, are likely to be in increasing demand amongst Asia's wealth management community. ■

Azqore: Overview of a Brand-New IT Solutions Firm that is Over 28 Years Young

Azqore is the almost new brand name chosen in 2018 for a long-established business that began in the early 1990s, and that used to operate under *Crédit Agricole Private Banking Services* as part of *Crédit Agricole Indosuez Switzerland*. The business today provides IT and BPO (business process outsourcing) services to in-house and third-party clients and promotes itself as the expert partner in digital transformation for the wealth management community of tomorrow.

It was only about a year ago in October 2018 that Indosuez Wealth Management, the global wealth management brand of *Crédit Agricole* group, and Capgemini, announced Capgemini's acquisition of a 20% stake in Azqore. The release at the time stated that the equity investment confirmed the strategic ambition of the two groups to set a global benchmark in technology outsourcing services and banking transactions for the wealth management sector and mid-sized universal banks.

"Following more than five years of successful collaboration between Azqore and Capgemini," Saint-Marc Girardin reports, "the deal draws on the synergies of their areas of expertise and is ideally combined with Azqore's knowledge of the sector developed over its 26 years in business. Azqore now occupies a unique market position by offering its clients financial solidity combined with expertise in banking professions, technology and digital transformation."

Capgemini's investment in Azqore will enable the company to accelerate the functional and technological development of its proprietary S2i platform while expanding its offering for customers to new services such as training and specialised consulting.

Azqore will draw on the market-leading expertise of Capgemini to enable a wide range of digital solutions and support wealth management players in their transformation. Capgemini is also contributing to the development of Azqore in Switzerland, the Eurozone and Asia, by drawing on its global network of 200,000 employees.

Azqore's technology and IT services missions are to strengthen the operational efficiency of private banks and wealth management companies while supporting their efforts to ensure compliance with ever-evolving regulations.

With approaching three decades of experience, the company offers its services to 31 clients in 11 countries via its three main locations (Geneva, Lausanne and Singapore), and have Clients that manage in aggregate CHF180 billion in AUM.

"Today," Saint-Marc Girardin reports, "we have 31 clients, six of them using S2i only as a service and the other banks also outsourcing their back-office functions whilst using Azqore's core banking system."

"To help our clients go further in the fast-changing wealth management universe, our teams deliver a full range of solutions and expert services, which have been developed and optimized for our user community," Saint-Marc Girardin adds. "We offer a comprehensive range of solutions and expert services, so clients that join our user community will enjoy access to "S2i as a Service", which we believe is the most comprehensive integrated banking platform in the market. Moreover, they can also outsource their back-office processes to us as "Banking Operations as a Service".

Azqore's proprietary S2i platform allows the firm to provide integrated technology services, an operational back-office and consulting services for a range of clients and projects.

Azqore users can, therefore, choose between the BPO service provided by back-office experts and a Software as a Service (SaaS) solution using their own resources. These two solutions are based on a single version of the integrated S2i banking software, which is also regularly updated to improve performance and ensure compliance with regulatory changes. The functionalities of the Azqore platform can additionally be customised in advance with the help of secure API programming interfaces.

Finally, to complement these two core solutions, Azqore also offers expert services and consulting developed over time in response to clients' needs. "This all adds up to what we think is the widest range of solutions and services in our market," says Saint-Marc Girardin.

"S2i as a Service is an industry-leading solution," Saint-Marc Girardin explains, "and is fully scalable. "In addition to unrivalled geographical coverage and functionalities, Azqore guarantees constant operational readiness and delivers regular technical and regulatory upgrades. All this is delivered in optimal conditions as costs are shared across the S2i platform."

The back-office processes include cash and securities management, regulatory reporting, transaction matching and investigations, as well as accounting and other ancillary services. "This will allow clients to focus on the most important part of their business, the clients."

