

OVERVIEW OF VANGUARD & INFOSYS PARTNERSHIP

On July 14, 2020, Vanguard announced a partnership with Infosys - a technology, business services and consulting firm with 242,000 global employees. The approach of partnering with a technology firm in order to gain efficiencies and scale is a departure from the traditional consolidation of recordkeepers recently seen in the industry. As a key advisory relationship of Vanguard's, CAPTRUST has been given direct access to senior leaders, both at Vanguard and Infosys.

VANGUARD DECISION SUMMARY

- Infosys will be building the first fully cloud-based recordkeeping technology platform with the goal of reduced administrative burden, faster deployment of service enhancements for clients and better outcomes for participant and plan sponsors
- Infosys assumes responsibility for the technical execution of creating cloud-native technology for the DC recordkeeping platform, client administration and a portion of the client contact center
- Vanguard commits to maintain focus on investment management, plan design and participant behavior

WHAT IS NOT CHANGING

- Vanguard will remain as the plans' recordkeeper
- No action is required on a client or plans behalf, no conversion event or new service agreement
- Relationship managers, strategic retirement consulting, sales and marketing will remain Vanguard employees
- Fee schedules are not expected to change

WHAT IS CHANGING

- Day-to-day client administration, operations crew and a portion of the client contact center will transition to Infosys
- Shift of recordkeeping data from Vanguard legacy platform to Infosys cloud-based platform over a four-year timeline

WHAT CAPTRUST IS MONITORING

Vanguard maintains that the partnership with Infosys is a significant investment in their recordkeeping business. Vanguard says the collaboration will allow them to focus on their strengths within participant services and investment management.

As with any acquisition, merger or partnership, CAPTRUST is closely monitoring impacts to our mutual clients. We have engaged in several discussions with Vanguard and Infosys leadership since the announcement and will maintain open lines of communication throughout the years-long migration process.

CAPTRUST continues to engage in dialogue on the following commitments from Vanguard:

- Maintaining and exceeding current service levels
- Ensuring security and privacy of data
- Creating cloud-based platform technology in the recordkeeping space
- Enhancements in technology for both participants and plan sponsors
- Improved participant and plan sponsor outcomes
- Commitment that Vanguard maintains ownership of client relationships