Supporting Growth and Minimizing Risk with Private Cloud Deployment

Why firms are choosing Charles River
# Table Of Contents

3  Why Investment Firms are Moving to the Cloud

4  What the Industry is Saying About SaaS

5  What’s Driving Buy-Side Adoption of SaaS?

6-7  Solving Critical Operational Challenges with Charles River SaaS

8  Migrating Charles River IMS to the Cloud

9  The Charles River SaaS Client Experience

10  24/7 Global Support

11  The Evolution of Charles River SaaS

12  Learn More

www.crd.com/services/SaaS
Why Investment Firms are Moving to the Cloud

Investment managers are looking to improve operations and better support their front and middle office through the use of Software as a Service (SaaS) deployment.

The Charles River Investment Management Solution (Charles River IMS) is deployed in a private cloud via a SaaS model. Clients are managing over USD 5 Trillion AUM on Charles River SaaS, enabling them to:

- Access the latest investment management capabilities and innovations
- Ensure that investment decisions are based on timely, complete and accurate data
- Minimize operational risk with 24/7 support, high availability and up-to-date cybersecurity
- Support future growth with a scalable solution and predictable cost structure
“Widespread adoption of cloud technology across financial services is increasingly inescapable as the capabilities, resiliency and security of services provided by cloud vendors surpass those of on-premises data centers. Not even the largest multinational companies could cost-efficiently develop and maintain comparable in-house infrastructures.”

– The Tabb Group

“Businesses now think ‘cloud first’ when it comes to their IT strategy and software footprint, since the benefits of cloud are clear and have been broadly demonstrated in most industries. About 73 percent of organizations expect to shift nearly all of their apps to Software as a Service by 2020”

- International Data Corporation (IDC)

What the Industry is Saying About SaaS

“With SaaS, there is no server room, mainframe, or desktop software to install. This is all seamlessly managed and taken care of remotely by the software provider.

The cost benefit analysis of SaaS is simple: Success in today’s fast-paced technology market is vitally linked to how fast a company can integrate new business applications into their infrastructure.”

- Gartner Research, Enterprise Software Industry Trends 2017
What’s Driving Buy-Side Adoption of SaaS?

**Product Evolution & Geographic Expansion**
Firms require agility and the latest technology to support innovative multi-asset products and expansion into new geographies.

**Margin Compression & Competition**
Competition from low-fee passive products is squeezing profit margins, forcing firms to outsource technology management and reduce operational staff.

**Regulatory & Client Demands**
Growing regulatory requirements demand new capabilities to meet reporting obligations, while asset owners are demanding timelier insight into exposures and performance.

**Data Management Challenges**
Firms increasingly view data as a competitive differentiator but struggle to ensure that front and middle office systems have timely access to complete and consistent data.

**Minimizing Operational Risk**
On-premises legacy systems and siloed point solutions are increasingly viewed as operational risks, forcing firms to upgrade to modern, vendor managed cloud-based solutions.
Solving Critical Operational Challenges with Charles River SaaS

**UP-TO-DATE SOFTWARE**

**CHALLENGE:** Out-of-date software exposes firms to potential trading errors, compliance breaches and unnecessary manual workarounds. Firms need up-to-date technology to keep pace.

**SOLUTION:** Charles River SaaS is designed to ensure the latest capabilities are always available to the front and middle office.

**BENEFIT:** Firms have timely access to new capabilities, avoiding manual workarounds and helping ensure responsiveness to regulatory and client requirements.

**BETTER DATA**

**CHALLENGE:** The breadth and diversity of data required by the front and middle office makes it difficult if not impossible for firms to manage on their own. Incomplete and stale data has far-ranging impacts across the investment process.

**SOLUTION:** Charles River is best positioned to deliver, monitor and manage data feeds. The Charles River Data Service provides a complete, single source of data, and the Charles River Data Management Service is designed to ensure proactive data quality monitoring and issue remediation 24/7.

**BENEFIT:** Helps ensure that investment decisions are based on accurate, complete, consistent and timely data.

**CYBERSECURITY**

**CHALLENGE:** Cyber threats and data breaches are growing in frequency and sophistication. Regulatory and reputational risk is forcing firms to expend significant time and resources ensuring data privacy and protection.

**SOLUTION:** Charles River’s private cloud-based solution provides 24/7 threat detection with dedicated specialists who understand the latest cybersecurity threats and protocols.

**BENEFIT:** Charles River clients are protected by state-of-the-art security without incurring the associated staffing costs.
API INTEGRATION, CUSTOMIZATION

**CHALLENGE:** Firms need to incorporate key intellectual property in the Charles River IMS in order to support the unique requirements of their investment process.

**SOLUTION:** Charles River SaaS supports extensive configurability which minimizes the need for customizations. Open APIs support extensibility and customization when required.

**BENEFIT:** Firms can configure and extend the Charles River IMS as needed. This eliminates the need to purchase 3rd party point solutions or develop manual workarounds in order to support their investment process.

DOMAINE XPERTISE

**CHALLENGE:** Increasingly sophisticated front and middle office technology requires deep investment application expertise as well as systems knowledge. Expensive and scarce talent leaves firms vulnerable to “key person” risk.

**SOLUTION:** Charles River’s global team of investment platform support specialists is always current on the latest capabilities and technology. Only Charles River can provide this level of global coverage and Charles River IMS expertise on a 24/7 basis.

**BENEFIT:** Firms get better platform ROI while minimizing staff recruiting, training and retention costs. This can eliminate “key-person” risk and helps ensure that Charles River IMS is always optimally configured and maintained, which improves end-user satisfaction and productivity.

IMPROVED OPERATIONS

**CHALLENGE:** Investment firms require a stable operating environment, high system availability and consistent performance. In-house staff often struggle to maintain adequate service levels, especially after hours or during periods of peak demand.

**SOLUTION:** Charles River’s global operations team monitors system performance 24/7, aims to ensure seamless upgrades, and works proactively to prevent stability and availability issues.

**BENEFIT:** Firms are freed from the staffing and operational overhead required to ensure consistent performance, install upgrades, and perform maintenance of the Charles River IMS. End users benefit from consistently high levels of performance and system availability.

PREDICTABLE COSTS

**CHALLENGE:** Margin compression and cost pressures are forcing firms to reduce spending on technology and staff.

**SOLUTION:** Charles River provides predictable subscription-based pricing, reducing capital expenditures and upfront infrastructure costs.

**BENEFIT:** Subscription-based pricing can significantly lower upfront costs, IT staffing expenses and periodic hardware upgrades. Firms benefit from a lower total cost of ownership and a cost structure that scales with their business growth.
Migrating Charles River IMS to the Cloud

Charles River follows a proven, time-tested migration process to help ensure successful SaaS deployment. A dedicated multi-disciplinary project team leverages deep expertise and a collaborative approach to migrating Charles River IMS. Deployed via SaaS, Charles River IMS delivers significant improvement over on-premises capabilities.

**REVIEW:**
- Current and anticipated client requirements and preferences
- Supported products, asset classes and strategies
- Front and middle office workflows and bottlenecks
- Operational support requirements

**RETAIN:**
- Core intellectual property
- Accumulated domain expertise
- All capabilities required to support firm’s investment process and needed customizations

**RETIRE & REPLACE:**
- Built-in interfaces replace third-party integrations
- Automated, exception-based workflows replace manual workarounds
- Standard functionality replaces obsolete customizations

**GO LIVE**

100% 2022 CLIENT MIGRATION GOAL
“With Charles River, we have one system that supports the investment management process from start-to-finish, across all asset classes. This improves productivity significantly for our Portfolio Managers, Centralised Dealing function, and Operations and Compliance teams. With Charles River managing and hosting the solution, we can easily access new capabilities and reduce the time and cost of upgrades.”

- Milford Asset Management

“The Charles River SaaS Client Experience

“Charles River has allowed us to streamline workflows, improve productivity, and reduce risk across asset classes and all portfolios. With Charles River managing the system day-to-day, we can concentrate on delivering long-term results and service to our clients.”

- Pyrford International

“Having Charles River IMS as a hosted service gives us faster access to the latest capabilities and system expertise. Our portfolio managers, traders and compliance teams can be more efficient and derive greater value out of a consolidated system, and the firm benefits from a dedicated team managing the infrastructure and providing 24x7 application support.”

– CBRE Clarion Securities
24/7 Global Support

SUBJECT MATTER EXPERTISE

GLOBAL SUPPORT

Burlington  Indianapolis  London  Dublin  Melbourne  Singapore  Tokyo
The Evolution of Charles River SaaS

4,000+ USERS GLOBALLY

150+ PERSON GLOBAL SUPPORT TEAM

8 GLOBALLY DISPERSED PRODUCTION AND DISASTER RECOVERY SITES

26% AVERAGE ANNUAL GROWTH RATE SINCE 2009

USD 5+ TRILLION IN AUM ON CHARLES RIVER SaaS

650 CLIENT INTERFACES

7,500 FIX BROKER CONNECTIONS
Learn More

To help ensure high end-user satisfaction and value for clients, Charles River offers a comprehensive set of support services designed to meet each firm’s unique needs based on geography, available resources, budget, and overall goals. Our approach is pragmatic and flexible, encompassing training, end-user support, onsite support, product knowledge and proven methodologies for successful deployment. Visit www.crd.com/services/SaaS

Regional Support Numbers:

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Charles River Development - A State Street Company, enables sound and efficient investing across all asset classes. Investment firms in more than 40 countries use Charles River IMS to manage more than US$25 Trillion in assets in the institutional investment, wealth management and hedge fund industries. Our Software as a Service-based solution (SaaS) is designed to automate and simplify investment management on a single platform – from portfolio management and risk analytics through trading and post-trade settlement, with integrated compliance and managed data throughout. Headquartered in Burlington, Massachusetts, we support clients globally with more than 750 employees in 11 regional offices.

WWW.CRD.COM