

## Factsheet – Fusion Trade Innovation

# Supply Chain Finance

Deploying flexible, integrated and secure services at scale

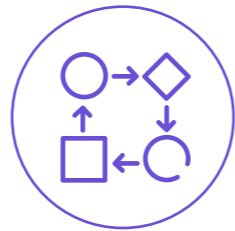
### The Supply Chain Finance opportunity

With the high level of uncertainty on trade policies and geopolitics, more complex supply chains and distribution channels are emerging in the economy today. This developing complexity, as well as regulatory changes and cost of capital pressures, have all contributed to the rise in importance of efficient supply chain and working capital management.

For banks to harness the potential revenue opportunity within supply chain financing (SCF), it is important to transform from their legacy infrastructures, disjointed processes and fragmented transactional views, helping corporate clients to:



Optimize working capital and cash flow position



Streamline processes for payables and receivables



Reduce supply chain risk



Strengthen relationships with supply chain counterparties



Create opportunities for business growth and better commercial terms

# FTI Supply Chain Finance: A comprehensive and integrated SCF platform

## 1. Extended functionality

- Solution depth and breadth that includes a wide range of SCF techniques such as Receivables Finance, Approved Payables Finance and more
- Flexible set-up with tailored functionality for processing, management, communications and analytics for corporate invoices and credit notes

## 3. Tailored corporate experiences

- Support corporate buyers and sellers front-to-back\* (three-corner model)
- Provide unique corporate experiences with customer self-service options and counterparty on-boarding via a secure, single sign-on portal
- Integration with banks' Know-Your-Customer (KYC) and compliance processes
- Automated personalized notifications

## 5. Scalable platform

- Fusion Trade Innovation provides comprehensive trade and SCF capabilities in a single front-to-back deployment, reducing total IT and operational cost
- Consistent management and user experience across all working capital finance products, supported by a single data model for more effective insights and analytics for corporate clients

## 2. Automated, flexible workflows

- Achieve service differentiation by leveraging configurable workflow and automated straight-through processing (STP)
- Global processing of SCF facilities across multiple geographies and branches on a single platform
- Bespoke integration of value-added services

## 4. Advanced risk management

- Real-time credit limit management and analytics capabilities
- Automate credit approvals and flag violations
- Integrate with existing enterprise credit or other risk management systems
- Distribute trade assets to third-party investors for optimized balance sheet management



# FTI Supply Chain Finance: Key capabilities and functionalities

Finastra's Supply Chain Finance offering is built on the core capabilities of the platform which delivers highly flexible programme structuring, invoice management and risk controls.



## Counterparty on-boarding & management

- Automated counterparty on-boarding via a secure, single sign-on portal\*
- Integration with bank's KYC and compliance processes
- Push messages to conduct a marketing campaign or generate invitations (e.g. for supplier on-boarding) \*

## Transaction processing

- Invoices, credit notes, bulk processing
- Direct connectivity with the corporate ERP system or online file upload, also a manual ad-hoc creation
- Automated validation checks and providing straight-through processing
- Dashboards to effectively manage operations team workload, identifying bottlenecks, reassigning tasks and insuring customer service level agreements (SLA) are met
- Global processing across multiple geographies / branches / sites / time zones



## Transaction financing

- A wide range of options for:
- Single transaction financing or bulk financing
  - Financing (discount) rates – in advance, in arrears, etc.
  - Interest rate schedules - branch, customer, customer groups, ccounterparties etc.
  - Settlement – early, at maturity, overdue; single transaction or bulk settlement
  - Multi-currency supported



## Risk management

- Real-time limit management, including anchor party, counterparty, concentration and other limits
- Real-time APIs interface with bank's existing credit limits system
- Departmental Limits is a flexible module where a bank defines their limit structures
- Risk Distribution module supports funded and unfunded, disclosed and undisclosed distribution of both Documentary Trade and SCF assets



## Corporate interface

- The customizable web-based portal for your corporate clients (Fusion Corporate Channels) is accessible anywhere via standard web browser.
- Corporate parent/child structure capabilities for consolidated view or an additional level of authorization.



## Dashboards, reporting, and notifications

- Configurable dashboards, reports and analytics
- Audited communication on transactions between corporates and the bank
- Client self-service\* allows to create alerts, reports and event 'trigger points' to automate transactions



## Other

- Accounting and postings
- The software development toolkit ("SDK") - define interfaces and workflows without impacting the core software
- Document preparation – automate document preparation based on your templates and rules

## Deployment

- On-premise, Cloud
- Standalone or as part of Finastra Fusion suite of solutions

## SCF techniques

- Receivables Finance (Invoice Discounting/Factoring)
- Approved Payables Finance (Reverse Factoring / Confirming)

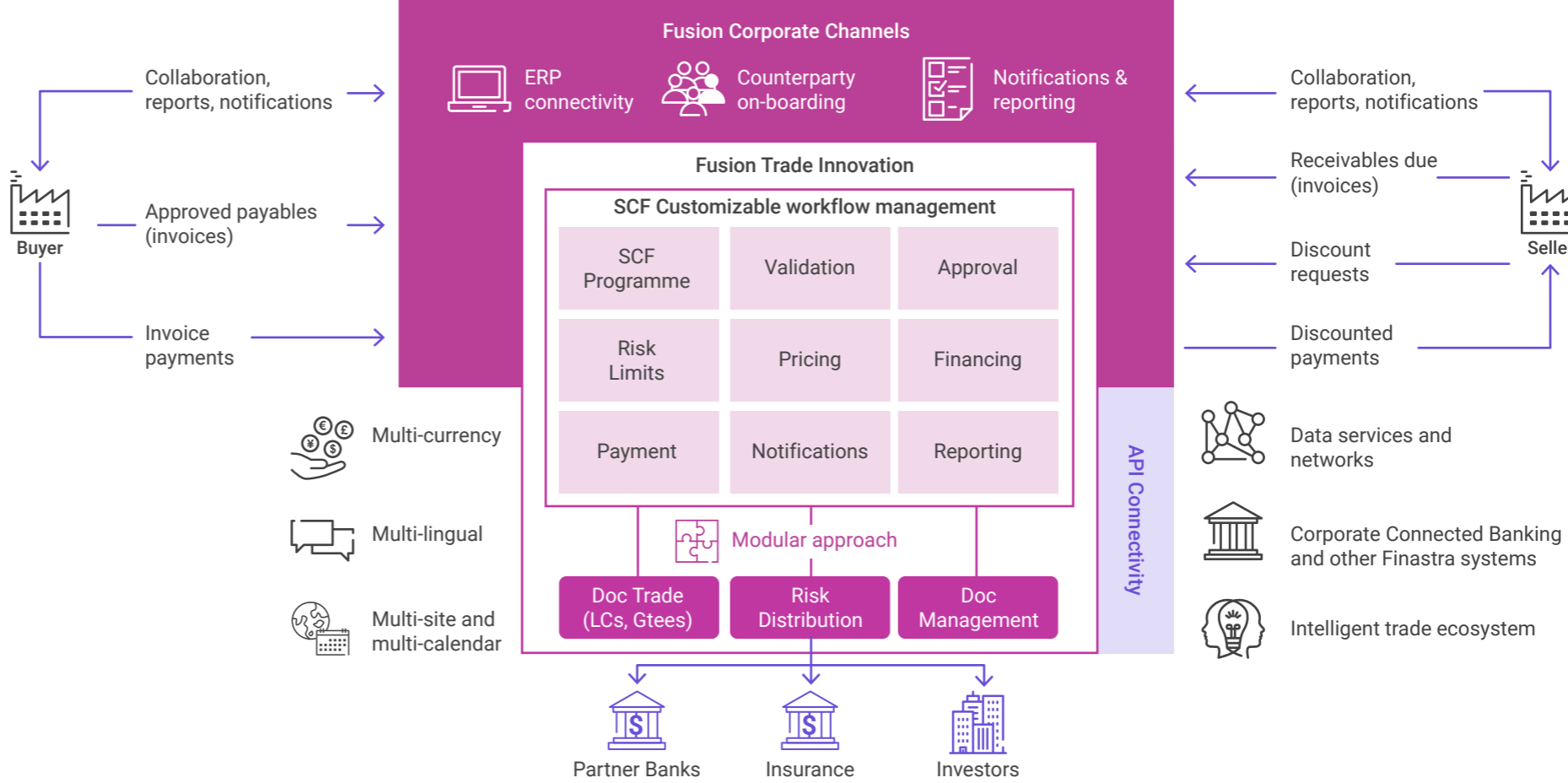
## SCF product & programme management

- Standard product setup for different SCF solutions defined by the bank
- Specific buyer- or seller-centric programmes setup

# FTI Supply Chain Finance: Key capabilities and functionalities

A comprehensive and flexible solution for working capital needs:

- Corporate buyers and sellers on-board counterparty, submit and manage their invoices/credit notes via online portal\*
- Bank validates, processes and manages client requests in line with its workflow through FTI Supply Chain Finance
- The credit risk can either be managed internally or distributed
- API connectivity allows for easy integration of additional systems and services



# Why Finastra?



## Solution roadmap

Finastra is committed to the trade and supply chain finance industry and its future by investing heavily in R&D. We are open and continuously looking for new collaboration opportunities with our clients and other fintechs. We strive to bring the latest techniques, services and technology to our customer base allowing them to generate new business more effectively.



## Corporate Connected Banking

Finastra's connected corporate banking platform provides the most complete, connected and open suite of applications for transaction banking and corporate lending. Built on a common technology stack with standardized interfaces and APIs the platform provides proven omnichannel digital banking and back office applications for Trade, Supply Chain Finance, Cash Management, Payments and Lending.



## Intelligent trade ecosystem

With FTI, banks can address the dynamics of the drive to paperless trade, greater automation and open account with unique technology partnerships.

The availability of open APIs makes adding new products and services into the overall customer offering much faster, and facilitates STP through cross-product workflows within a bank's wider application architecture.



## FusionFabric.cloud

Finastra's platform for collaboration and co-creation. Increase the speed of change by delivering innovations and new services to your corporate clients through an open platform.

By leveraging FTI banks can benefit from access to a growing ecosystem of services, including digitization and data analytics.



## Network of expertise

Finastra is at the forefront of defining the future of trade through collaborations with next generation networks and our work with industry bodies such as the International Chamber of Commerce (ICC), the Bankers Association for Finance and Trade (BAFT), the International Trade and Forfeiting Association (ITFA), World Economic Forum and many more.



## Experience

Finastra supports a community of over **200 trade and supply chain finance banks worldwide for 25+ years**. Our proven and time-tested platform for global trade enables financial institutions to design their operating model across the corporate or commercial bank, front-to-back. We have an extensive global, as well as regional understanding of the local markets that underpins our solution and drives our roadmap.

### About Finastra

Finastra is building an open platform that accelerates collaboration and innovation in financial services, creating better experiences for people, businesses and communities. Supported by the broadest and deepest portfolio of financial services software, Finastra delivers this vitally important technology to financial institutions of all sizes across the globe, including 90 of the world's top100 banks. Our open architecture approach brings together a number of partners and innovators. Together we are leading the way in which applications are written, deployed and consumed in financial services to evolve with the changing needs of customers. Learn more at [finastra.com](https://finastra.com)

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