



Corporate Banking

Fusion Trade Innovation

The industry's leading booking engine for trade and supply chain finance



Winner of Innovator in Global Trade in the International TFG Trade Awards 2020



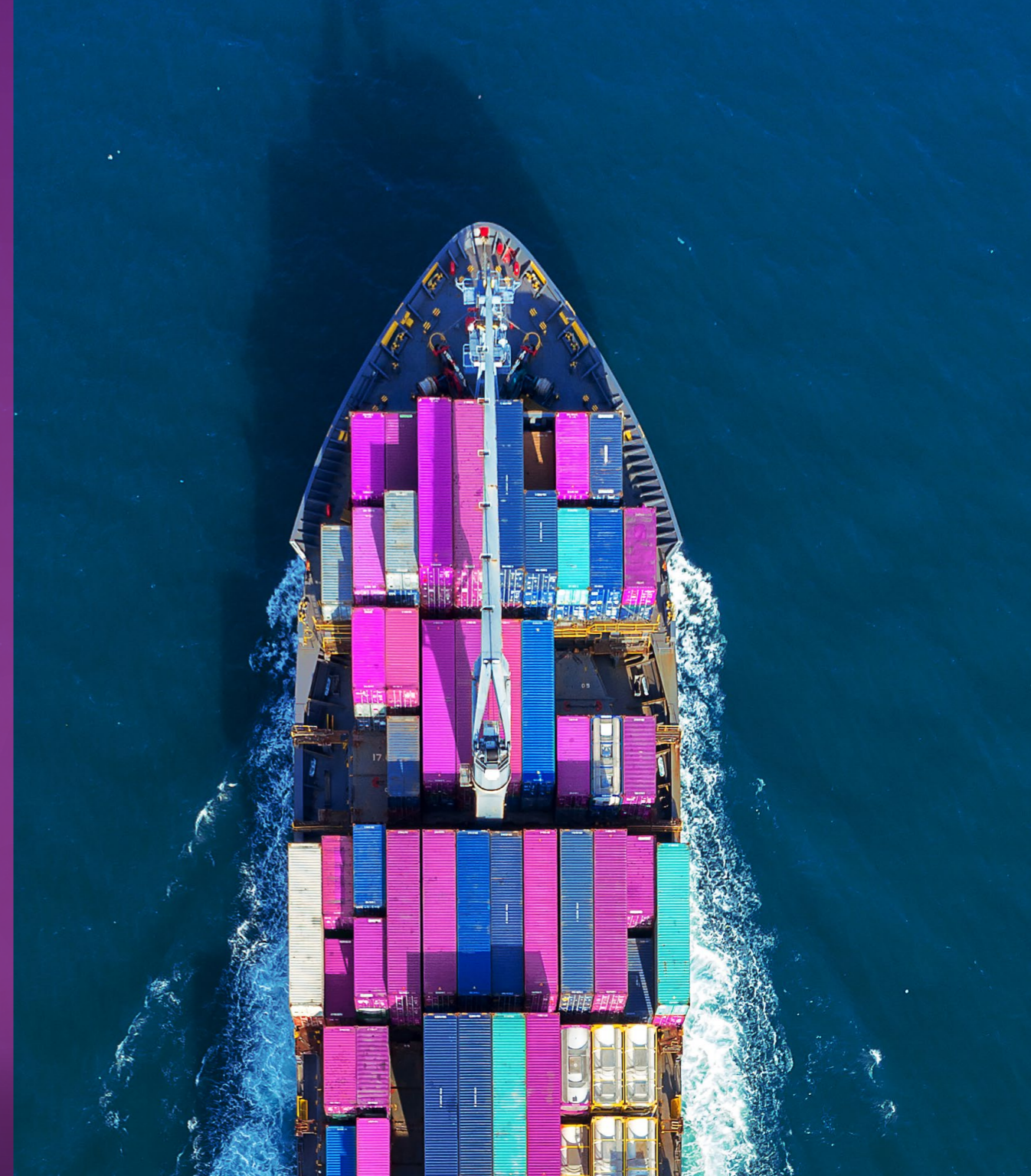
World's Best Trade Finance Software Provider: Global Finance Trade Finance Awards 2020 and 2021



Recognised as leader in the IDC MarketScape: Worldwide Trade Finance Systems 2020



Trade Finance Software Aite Matrix 2020 Recognised as Leader



Executive Summary

With evolving corporate customer expectations demanding a more seamless and engaging transactional experience, banks need to adapt with a dynamic front-to-back working capital finance booking engine for trade and supply chain finance. More than ever, banks need to evolve from on-premise to Cloud, to enable future-proofed integration to an ecosystem of services that support digitalization of the full transaction lifecycle.

Finastra's end-to-end Working Capital solution offers the industry's leading capabilities for frictionless trade and supply chain finance including; buyer and seller loans, letters of credit, collections, guarantees, supply chain finance and, government support for export credit and SME loans.

We provide the option of utilizing Fusion Corporate Channels as an integrated front end, or integrating directly with existing channels or ERP systems, to deliver a single view of data and meet customer experience expectations. A future-proof ecosystem, accessed through FusionFabric.cloud, allows innovation to be delivered at speed for changing client demands.



80-90% of global trade is reliant on trade and supply chain finance



Equating to over an industry processing estimated \$10tn trade finance



But with a \$1.6tn trade finance gap, corporate banks have to the opportunity to transform today, to support their clients of tomorrow.

Business goals and trends

Remain relevant in international trade finance

A trade services platform to evolve with compliance, client and competitive demands.

Working capital finance in the future

Corporate working capital finance needs are evolving. Service-based exports account for 20% of global trade, while supply chain finance is growing 20% YoY for payables finance. This represents an opportunity for businesses, and they require banking support for new and traditional trade finance. At the same time, banks face increasing costs from regulation such as Basel III/IV.

Compliance and AML has become more stringent, with approximately 60% of transaction processing costs for banks resulting from compliance. The costs are usually passed on to corporate clients; restricting the market for SMEs to access financing, these businesses make up a significant portion of the \$1.5tn trade finance gap.

Financial institutions must solve these challenges in a cost effective, holistic way in order to retain their relevance to corporate clients and grow their business.

The shift to digital trade

Today, corporate clients expect frictionless trade processing, whether for documentary trade or for supply chain finance (SCF).

The growth in digital trade has opened new ways to enhance the corporate user experience.

For the banks that can take advantage, end-to-end trade digitization means more relevant financing and advice; faster turnarounds; fewer discrepancies, and greater visibility for corporates and banks alike. Fusion Trade Innovation and Supply Chain Finance provide the core solutions for trade digitization for over 200 global trade banks.

Total trade and working capital finance Disparate legacy applications and a lack of agility have amplified the struggle to react to new standards, product demands and disintermediation.

With data islands and manual processing, comes less visibility and a reduction in client satisfaction and cross-sell potential. With Finastra, banks move to a single solution covering the broadest and deepest suite of trade and working capital finance solutions on the market.

Digital processing for growing areas like guarantees helps Finastra clients capture growth from profitable service-based exports, while flexible and STP-driven supply chain finance helps to capture the SME and open account revenue opportunity.



CIB Egypt brings next-generation digital services to corporate clients

Key statistics

40% Increase in automation of cash transactions

20% Increase in automation of trade transactions

50% Of all corporate banking transactions are now performed online

40% Lower costs than performing transactions manually in branch

[Access the full case study >>>](#)

“ We are the first bank in Egypt to bring this kind of supply chain finance offering to market, which acts as a significant differentiator for CIB Egypt and evidence of our position as a leading innovator.”

Mahmoud Fawzy
Corporate Digital Channels
Management Head, CIB Egypt

Smarter compliance and risk distribution

KYC compliance, new messaging standards and the inability to quickly recycle capital has increased the cost of doing business and the shift to open account. Fusion Trade Innovation improves STP on sanctions and compliance screening, harnessing the latest advances in machine learning and optical character recognition. Assets can be moved off-balance sheet more efficiently through controlled and transparent asset distribution to recycle capital quickly and reduce financing costs. Finastra solutions comply with latest SWIFT Message Types and formats, ensuring business as usual and paving the way for the digital standards of tomorrow.

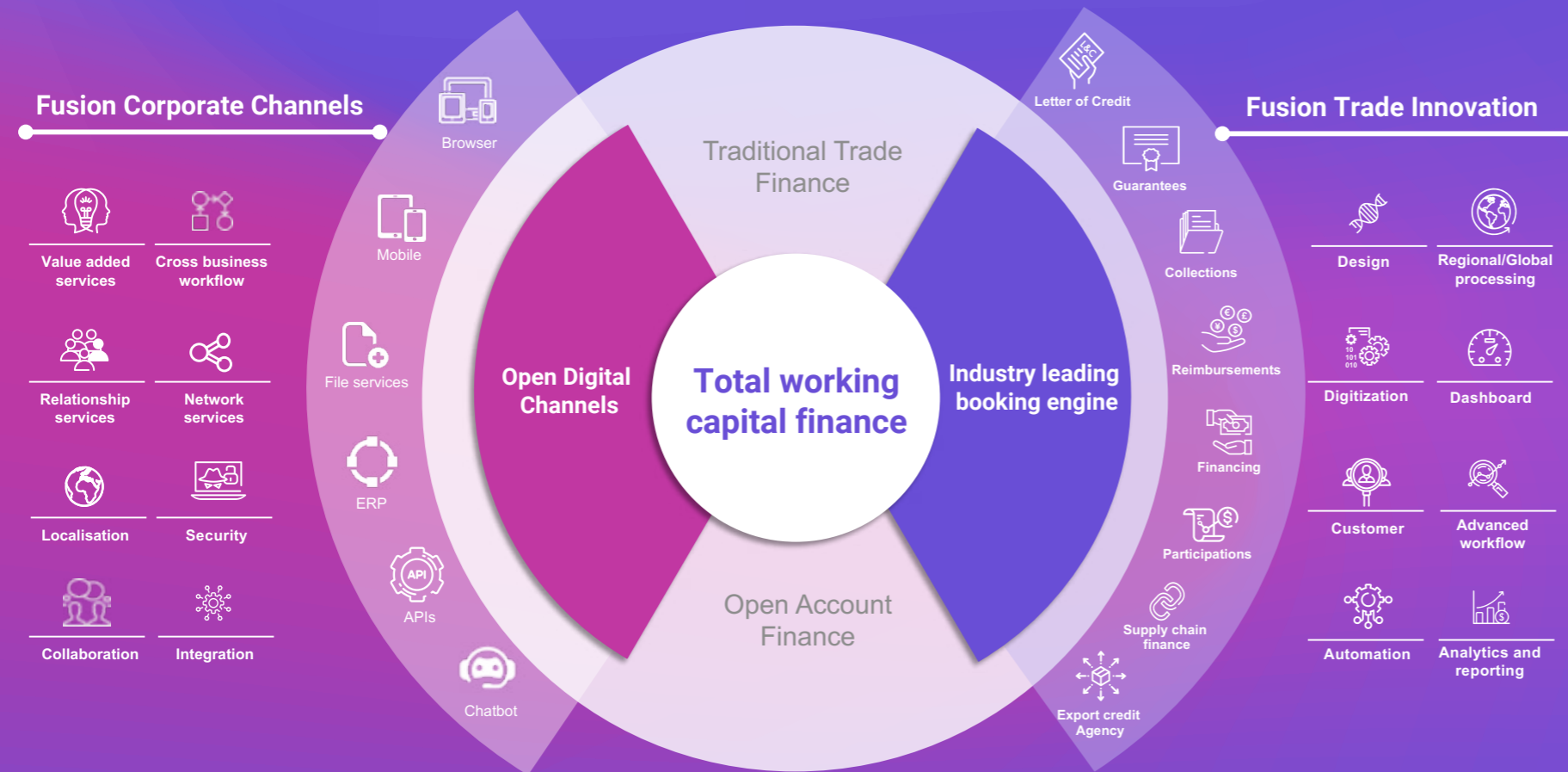
Faster innovation

Finastra's solution for intelligent trade services enables fast time-to-market for more tailored trade and working capital finance services. Finastra's best-of-breed core applications for trade and supply chain finance work in unison with leading solutions from the ecosystem so you can move faster, at lower cost and risk.

By connecting the services and data that corporate clients need with a solution that aligns the physical and financial supply chain, banks deliver value-added trade services, drive process automation, and can explore new collaborative business propositions.

End-to-end working capital finance

A market-leading trade solution, delivered across the right channels, connected to a powerful and future-proof ecosystem.



Fusion Trade Innovation and Fusion Corporate Channels offers banks the best-in-class, end-to-end capability for working capital finance, including buyer and seller loans, letters of credit, collections, guarantees, supply chain finance and, government support for export credit and SME loans.

Fusion Corporate Channels offers an integrated front-end, enabling integration directly with existing channels and ERP systems, providing a single view of data to meet customer experience expectations. Our open, API-enabled solution enables flexible integration with ecosystem partners, which we will continue to expand as part of our Intelligent Trade Ecosystem strategy.

Customization of screens, to data visualisation, through to workflow customisation through SDK and global processing capabilities, means global and regional banks can deliver a single operating model across all geographies. Future-proofed ecosystem access through FusionFabric.cloud allows innovation to be delivered at speed, for dynamically-evolving client demands.

Remain relevant	Grow your trade business	End-to-end working capital finance	The future is open	Intelligent trade for smarter growth	Future proof your business	A proven platform
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The future of trade and supply chain finance is open

Increase relevance and automate compliance with a future-proof services platform.

 Hover over diagram to enlarge

For leading corporate banks, trade finance provides the business case for wider digital transformation. It has the potential to drive new fee-based revenue, deepen corporate connectivity and capture growth in line with the changing financial needs of international commerce.

Connect trade and transaction services
Finastra’s modular and connected corporate banking suite combines trade and supply chain finance applications with commercial lending, cash management and treasury services, on a single, interoperable platform. With a unified digital experience and integrated operations banks and corporates benefit from a consolidated view of business. Open connectivity to ERP and treasury technology enables STP and real-time visibility of information about purchase orders, invoices and LCs, and the ability to efficiently deliver a comprehensive suite of financing, risk and transaction services.

Achieve greater compliance automation
AML and sanctions compliance accounts for 60% of trade finance costs (“Securing Global Growth”, ICC, 2018). With Fusion Trade Innovation and our partner ecosystem, compliance can be automated to reduce risk and costs. Integrated

watchlist checking is delivered by Fircosoft Accuity, and AI-based document generation, screening and digitization is delivered through partners like Conpend and Enigio.

Extensible platform to automate and compete paperless trade
Open banking and the availability of non-bank services are driving new business models. With Finastra’s core trade solution and open platform, banks can leverage open APIs to embrace new data sources for analytics and more robotic processing throughout the customer journey to enhance service.

The future is now: Cloud-ready, flexible technology
The solution is cloud-ready with a browser-based UI. With a microservices strategy and shift to REST APIs, banks can flex their solution as needed. A comprehensive Software Development Kit (SDK) also means transformation is delivered on an evergreen core architecture.

// Trade finance provides the business case for wider digital transformation."

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Through Fusion Trade Innovation, we successfully scaled up to support a three-fold growth in our letters of credit business in late 2018."

Paul Baker

Deputy Group Head of Operations,
Bank ABC

[Access the full case study >>>](#)

Intelligent trade for smarter growth

Advanced straight-through processing, digitization and data analytics to seize growth in guarantees and open account business.

Seizing growth in documentary trade

With guarantees and standby letters of credit (SBLC) business growing, and open account on the rise, banks are under pressure to offer new working capital services. Often these are only viable if digitally delivered and with high STP. Fusion Trade Innovation ensures front-to-back digitization of the documentation and processes around complex guarantees wordings and workflows, reducing friction in processing and improving turnaround times – as well as fully supporting less complex but equally document-driven traditional trade instruments.

Capturing the open account opportunity

The Fusion Supply Chain Finance application is a scalable, STP solution for every SCF business line. It covers standard modules for approved payables and receivables financing, as well as factoring, forfaiting, asset-based lending and much more.

From the digital front-end to operations, the solution enables automated application of business criteria for individual SCF programs, automatic payments and reconciliation, ERP connectivity and integrated risk and asset distribution.

Banks can manage SCF transactions 'by exception' to scale up and capture the growth opportunity, while buyers and sellers can access cost-effective, timely working capital finance.

Global data analytics for smarter relationship managers and operations

The Fusion Insights application enables relationship managers to deliver more timely advice with real-time views of client business. It draws on data from Finastra's trade finance applications and other systems to provide daily support and strategic advice to clients on transactions as well as future trends in global and local trade.

The global operations dashboard within Fusion Trade Innovation provides one view of work across bank entities and clients to prioritize workflow and manage bottlenecks across trade and working capital business.

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Fusion Trade Innovation ensures front-to-back digitization of the documentation and processes around complex guarantees wordings and workflows."

Future proof your international trade business

One platform to support everything from blockchain to big data; cloud to open APIs and to embrace emerging standards for digital trade.

Harnessing the fintech ecosystem with an open platform for trade innovation

With connectivity to the FusionFabric cloud platform, Fusion Trade Innovation's core and digital channels APIs are exposed to the developer ecosystem. This has resulted in a range of value-added applications, for example AI tools to improve KYC processes and document checking, and integrations with emerging distributed ledger networks. Finastra partners with leading consortia for digital trade finance to ensure connectivity and active involvement in the trade finance networks of the future.

200 financial institutions processing

~10% of Daily Trade Finance with Finastra is uniquely positioned to provide unified trade and supply chain services from a single working capital finance platform. The solution provides fully connected yet discrete components to allow banks to evolve in manageable steps.

Continuous delivery to evolve with the future trade ecosystem

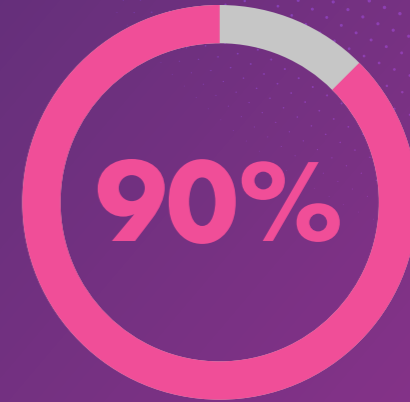
By driving change in the trade finance industry with our advocacy work around digitalization and advancing the use of emerging technologies through FusionFabric.cloud, APIs and the shift to microservices, our clients benefit from continuous delivery and the expansion of services through collaboration with partners.

Award winning implementations through fusion blueprints

With Fusion Blueprints, Finastra's proven service delivery model, modifications are only made for business, regulatory or external system requirements. And because the SDK and API framework allow you to extend system capabilities without changing core code, your intellectual property, data and interfaces are secure as new releases are delivered.



Finastra partners with leading consortia for digital trade finance to ensure connectivity and active involvement in the trade finance networks of the future."



Compliance coverage with Finastra's intelligent trade services platform and AI-driven screening, reducing document checks from two days to ten minutes.

Source: Finastra and client PoC with Fusion Trade Innovation and Conpend, 2021

A proven platform for global trade

Connected solutions for corporate clients.

A global and connected solution

Whether to support complexities of large corporates, or the simplicity demanded by SMEs, Fusion Trade Innovation and Supply Chain Finance support the connected, round-the-clock needs of your customers. Our trade finance solutions are pre-integrated with our connected corporate banking suite, enabling institutions to redesign their operating model across of the corporate or commercial bank.

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.



Juan Jiménez Zaballos, Global Head of Corporate Banking Innovation at Santander Group share his views on new technologies, including the biggest factors impacting the ultimate success of open APIs within the trade ecosystem.

State Bank of India reinvents its trade finance business for the digital age

Key statistics

- 80%** Reduction in global labour costs for trade finance in the long-term
- 95%** Reduction in average processing time
- 3%** Uplift in overall trade finance business
- 300%** Increase in trade finance transactions

[Access the full case study >>>](#)

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We are on target to reduce global labor costs for trade finance by 75% in the short term, and potentially by 80% in the medium term as we make further optimizations."

Shiv Kumar Bhasin
Chief Technology Officer, State Bank of India



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

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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.

Why Finastra for intelligent trade services?



As founders of The World Trade Board, and members of the World Economic Forum, Finastra is committed to the future of trade finance with the mission of improving people's lives by connecting finance, technology, and regulation.



Our community of over 200 banks process more than 6% of daily trade finance and drive the market agenda and emerging collaborative networks of global trade finance.



Finastra offers a best-in-class and unique single front-to-back trade and supply chain finance solution. This is complemented by an open platform for innovation and extensive Software Development Kit to future-proof your working capital business and technologies, deployed either on-premise or the Cloud.



Experience and reputation with global clients such as ING and First Abu Dhabi Bank



THE FUTURE OF FINANCE IS OPEN

Finastra is unlocking the power of finance for everyone by creating a platform for open innovation in the world of financial services.



Contact us

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 top 100 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

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