

ORACLE®

Transform the Future of Trade Finance

Empowering Smarter Trade Finance Operations

ORACLE®



Oracle delivers a comprehensive trade finance solution that enables banks to strengthen customer relationships, achieve economies of scale, and reduce operating costs while minimizing risks.

The trade market is very competitive and banks need to transform themselves for efficiently meeting the growing trade finance demands of corporates. Banks have to go digital to drive their customer's trade finance operations at a higher efficiency. Oracle Banking Trade Finance Process Management solution manages the lifecycle of guarantees, documentary credit and collections with highly automated workflows, state-of-the-art dashboards, centralized operations and digital engagements.

Critical Process Flows Supported by Oracle Banking Trade Finance Process Management

IMPORT SERVICES	EXPORT SERVICES	GUARANTEES
<ul style="list-style-type: none"> • Import letter of credit issuance • Amendment of documentary credit issued • Beneficiary confirmation of amendment under documentary credit issued • Drawings under documentary credit issued • Update drawings under documentary credit issued • Liquidation of drawings under documentary credit issued • Book bills under import collection • Import LC Closure • Import Documentary Collection Update • Import Documentary Collection Liquidation • Import Documentary Collection Return-Close 	<ul style="list-style-type: none"> • Export letter of credit advising • Amendment of export letter of credit advised • Register beneficiary confirmation of amendment of export letter of credit • Book drawings under export letter of credit • Update drawings under export letter of credit • Liquidate drawings under export letter of credit • Export Documentary Collection Booking • Export Documentary Collection Update • Export Documentary Collection Liquidation • Export Documentary Collection Return-Close 	<ul style="list-style-type: none"> • Guarantee Advising • Guarantee Issuance

Corporates are looking for ways to improve their trade service quality levels, expand trade operations to a global scale and ensure compliance to regulatory bodies without incurring additional costs. The onus lies on the banks to ensure that corporates can achieve their trade goals without any friction.

With trade activities requiring an average of 36 original documents, 240 copies, and the involvement of 27 entities, the Fortune 500 companies spend over USD 81 billion annually on unnecessary working capital, and supply chain costs.

Role of Trade Finance for Inclusive Growth, Deloitte Report, 2018

Digitization and Collaboration

Oracle Banking Trade Finance Process Management enables a "System of Engagement" with assisted operations for greater digital collaboration and engagement between parties throughout the trade finance lifecycle. It also helps banks to reduce the flow of physical paper documents by digitizing the trade finance processes thus lowering transaction costs and delivering a quick turnaround.

Quicker Trade Finance Product Processing

Banks can generate a request for a letter of credit by keying in only three fields (applicant, currency and amount) thereby enabling banks to capture requests in non-trade finance branches. It supports the hub and spoke model wherein trade finance specialists can work from a centralized processing center.

Configurable Workflow Automation

Banks are empowered to drive greater productivity with pre-defined automated process workflows and user modifiable process workflows. All operational flows are designed and sequenced as per SWIFT tag and field names grouped as per business requirement necessitating minimal training of staff and facilitating efficient trade operations.



OVERCOME THE TRADE FINANCE CHALLENGES WITH ORACLE BANKING TRADE FINANCE PROCESS MANAGEMENT SOLUTION

Heavy Paper Flow Processes

- Digital collaboration and engagement between parties
- Process initiation supported through multiple online channels
- Supports integration with document management systems

Manual and Labor Intensive

- Trade Finance best practices are baked into configurable workflows
- Reuse of standard documents for KYC, validations for expiry of documents, template based originations, etc.
- Configurable hand offs to surround systems eliminating manual intervention

Legacy IT Structure

- Solution is back-office and front-office agnostic.
- Open APIs enable a seamless integration with bank's existing IT systems, third party systems, corporates' ERP systems or any trade platform.

Regulatory Compliance

- Configurable workflows and dashboards enable the bank and staff to be on top of exceptions, approaching due dates for renewal of KYC, AML and sanction screening.

An estimated four billion pages of documents circulate in documentary trade. Digitalization can reduce the manual and error prone processes for document and compliance checking.

ICC Global Trade Report, 2018



Digital Transformation in Trade Represents an estimated **USD 2.5-6 billion** Savings Opportunities (up to 35% over 3 to 5 years)

— BCG Analysis



**Trade Finance the Digital Way with
Oracle Banking Trade Finance Process Management**

Commercial Letters of Credit is the most Preferred Instrument for Bank Financed Trade.

ICC Global Survey on Trade Finance 2016

Global Trade Flows Expected to Grow from 2016 to 2020, reaching USD 18.7 trillion. Asia, North America and Europe show Steady Growth in both Export and Import Transactions

WTO and UNCTAD

Automating trade finance processes such as Letter of Credit issuance, reduced the previous end-to-end human involvement to final validation and authorization, cut processing times by 60%, and reduced full-time employee headcount needed for data entry and scrutiny by 70%.

ICC Global Trade Report, 2018



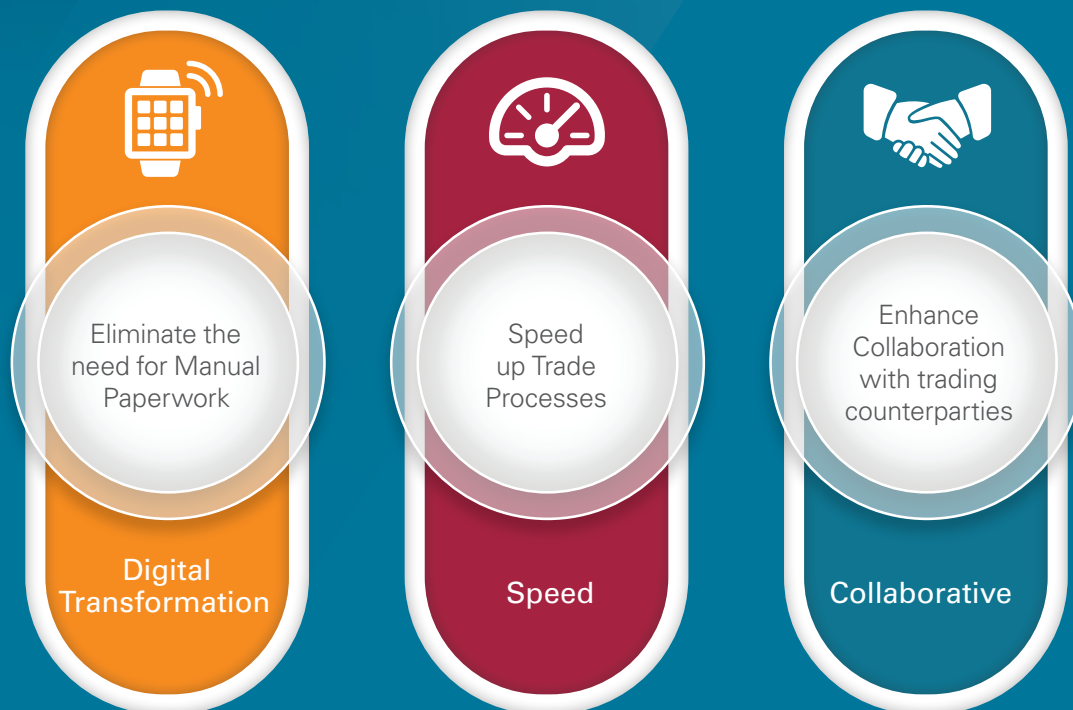
Key Capabilities of Oracle Banking Trade Finance Process Management Solution

CAPABILITIES	BENEFITS
High Level of Automated Workflow <ul style="list-style-type: none"> Automated Business Workflow with STP and computer aided human tasks for LC import issuance, export LC Advise, and Guarantee Work queues and escalations 	<ul style="list-style-type: none"> Improves Task Management and Increase productivity of trade finance operations Ensures STP to reduce operational cost and eliminate manual processes Maximizes automation and enables faster fulfillment
Centralized Operations <ul style="list-style-type: none"> Complete reuse of customer information such as customer, trade and import licenses Reuse application services for fulfillment of different trade finance processes 360 degree view of customer relationship 	<ul style="list-style-type: none"> Ensures capturing only the required data 'one time' Ensures faster turnaround time
Maintenance and Reuse of Standard Information <ul style="list-style-type: none"> Enables maintenance and reuse of standard information such as clauses, goods, INCO terms, Free Form Texts, Taxes applicable and Branch parameters Usage of templates to Pre-fill information 	<ul style="list-style-type: none"> Enables faster processing Provides greater convenience with paperless processing Reduces cost and improves the speed of communication
Seamless Experience across Multiple Channels <ul style="list-style-type: none"> Common platform for both users across assisted and self-service channels Seamless transition from one channel to another Convenience of self-service channels 	<ul style="list-style-type: none"> Allows use of different access points to begin & complete process Enables consistency of experience across touch-points Ensures frequent in-person branch visits are no longer required
Seamless Third Party Integration <ul style="list-style-type: none"> Enables Integration with external vendors and Credit Bureaus to perform customer identification, AML and KYC checks Enables Integration with participating banks (issuing bank, advising bank, etc), importer, exporter and service providers 	<ul style="list-style-type: none"> Enables faster credit decisions Ensures meeting ever-increasing regulatory requirements Eliminates manual transfer of data between stakeholders
Flexible Product Attributes <ul style="list-style-type: none"> Enables banks to create different trade finance products with several variations Enables banks to define product attributes such as currency, branch, tenor, charges and collection terms specific to customer requirements 	<ul style="list-style-type: none"> Enhances customer experience as customer preferences are met Faster time-to-market and thus faster realization of revenue High degree of configurability with a shorter development time

80% to 90% of world trade relies on trade finance (trade credit and bank financed trade)

– WTO

Transforming the Future of Trade Finance Operations



Banks have to opt the digital route thereby getting rid of the manual paperwork documentation processes which are prone to errors

Banks need to automate the trade processes with efficient workflows to streamline the trade finance processes end to end

Banks need to digitally engage with corporates and other counterparties for quicker processing of their trade finance services



The trade market is very competitive and banks need to transform themselves for efficiently meeting the growing trade finance demands of corporates. Banks have to go digital to drive their customer's trade finance operations at a higher efficiency.

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Oracle is committed to developing practices and products that help protect the environment

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