

Trade. *Transformed.*™

LEVERAGING 24 YEARS OF TRADE FINANCE EXPERIENCE

MAJOR MILESTONES

1984- CGI launched the TradeLine suite of products, still used by many banks today including Bank of America, Barclays Bank, Wells Fargo Bank, Comerica Bank, Royal Bank of Canada, and Scotiabank to name a few.

2001- The first client bank, Australia New Zealand Bank (ANZ), went live on CGI's Proponix® platform that delivered the full range of trade finance capabilities in a Software-as-a-Service (SaaS) delivery model.

2008- CGI launches Proponix360™, a comprehensive version of Proponix, offering end-to-end processing for the complete range of Trade Finance and Supply Chain Finance activities.

2009- CGI adds Accounts Receivable Management and Cash Management to the Proponix360 Global Trade Platform.

TRADE BANKS WHO SEIZE THE SUPPLY CHAIN FINANCE OPPORTUNITY WILL TRANSFORM THEIR BUSINESSES INTO ONES THAT ALIGN WITH, AND PLUGS INTO, THEIR CUSTOMERS' QUICKLY EVOLVING SUPPLY CHAIN STRATEGIES.

Transformation is getting a lot of attention, and with good reason, since change is the rule of the day. However, there are few arenas where the degree of change has been as pervasive as global trade. Deep transformational forces shaped by the emerging global economy have changed everything: the way the bank's customers conduct business, what they need from their banks, and the global economics for providing bank services. These converging forces are reshaping the definition of trade banking along with its business and operating models.

Banks are faced with providing a new generation of supply chain solutions that are increasingly in demand, and having to make their entire trade business perform better. Most often, the bank's technology is not up to the job. It cannot enable supply chain solutions needed for customer retention and revenue growth and it does not support the types of business and operating models that are needed to reduce costs.

TRANSFORMING FOR CUSTOMER RETENTION AND REVENUE GROWTH

Globalization impacts supply chain performance

In this increasingly global marketplace, it is more challenging than ever for corporations to keep their competitive edge. Driven by a range of pressures, organizations must embrace sourcing and selling globally; yet the transition from regional to global sourcing has negatively impacted the organizations' working capital and supply chain performance.

Difficulty in tracking order shipments means that buyers cannot accurately predict when shipments will arrive or when payments will be due. To compensate, buyers are forced to hold higher levels of inventory to prevent outages and cash to ensure available funding to meet payment obligations. The traditional payment tactics of pressing sellers for longer payment terms has also had the unintended affect of creating upward pressure on prices, eroding relationships with sellers, and creating instability in the buyers' supplier base.

The same dynamics make it difficult for sellers to obtain timely payments. Due to their geographic location and size, sellers typically lack access to reasonably priced short-term financing. Pressure from buyers to lengthen payment terms only intensifies the situation, resulting in higher prices or an inability to continue as a supplier.

Banking supply chain solutions needed

Supply Chain Finance (SCF) presents a unique opportunity for banks to transform their business to provide end-to-end supply chain solutions for their customers. Buyers and sellers want to work with banks that can move beyond the tradition buyer-risk mitigation products, such as Letters of Credit, and provide innovative new supply chain focused services to optimize working capital and provide processing efficiencies. Corporate customers need a broadened set of solutions from their banks to include SCF, bank-assisted open account instruments, payables and receivable management and cash management to help them handle the financial and processing challenges created by global supply chains. Most banks find that their older and inflexible technology lacks the ability to meet the new customer needs. Thought leaders believe that the winning approach is to provide these solutions on a single integrated global platform. CGI agrees and is rapidly deploying these solutions on its global trade platform Proponix360, where all solutions are live except for the payables management solutions that are currently in progress.

TRANSFORMING TO GAIN EFFICIENCIES AND REDUCE COSTS

Restructuring operations and customer service

Banks need to make dramatic changes to their cost structures in order to remain competitive in the global economy. The key to cost saving resides in transforming the bank's operating and customer service models with technology that allows banks to provide customer service with a very small local footprint, streamline processes, shift back-office work to lower cost locations, and deliver the end-to-end solutions on a single global platform. This will allow the bank to improve service levels while taking cost out of internal operations.

Transformation requires more than technology

While technology plays an important role in enabling banks to fully support their corporate customers in the buying and selling of goods, technology alone is not the answer. Banks need to align that technology with business strategy and corresponding processes.

Transforming trade requires thought leadership, rapid technical evolution, and readiness for organizational change from the top down. This fundamental approach to changing an organization's culture, processes, and technology transforms banks from providers that meet only a fraction of their customers' trade needs to full partners that provide solutions across their customers' entire supply chain.

The Proponix360 global trade platform provides end-to-end processing capabilities and much more to give banks the tools to attain world class efficiencies as CGI's existing customers have. For more information visit www.cgi.com/banking.

CORPORATE PROFILE

At CGI, we're in the business of satisfying clients. For 30+ years, we've operated upon the principles of sharing in our clients' challenges and delivering quality services to address them. As a leading IT and business process services provider, CGI has approximately 25,000 professionals operating in 100+ offices worldwide, giving us the competitive advantage of close proximity to our clients.

Through these offices, CGI offers local partnerships and a balanced blend of global delivery options— including onshore, nearshore and offshore expertise—to provide clients with the combination of value and expertise they require.

CGI defines success by exceeding expectations and helping clients achieve superior performance.

Website: www.cgi.com/banking