Accelerate Your Journey Towards Truly Digital Lending

Finacle Digital Lending Solution Suite
Lending is More Competitive Than Ever Before

Consider the following:

• New technologies have lowered entry barriers to enable Fintechs and others to sidestep the traditional banking system and take a reasonable share in niches; today almost half of the personal loans in North America are originated by Fintechs.

• Integrating financial knowhow with technology, alternative lenders are redesigning the SME lending landscape, and in the last 5 years, originated double the number of SME loans by volume than traditional banks.

• Use of alternative data sources in credit decisioning and artificial intelligence is giving rise to new credit assessment models. For instance, new age lenders today approve twice the number of loan applications than that of traditional lenders.

The lending industry is being reshaped by a confluence of forces. Concerned about potential losses due to the economic slowdown, lenders are tightening standards. On the other hand, alternative lenders are making further inroads into the business with superior service and experience that consumers, with their preference for digital engagement and zero touch, are welcoming. Meanwhile, the forces of regulation continue to build up worldwide, aiming to safeguard customer rights and prevent loan frauds. The last force is emerging technologies, including Cloud, API (Application Programming Interface), Artificial Intelligence and machine learning, which are enabling new competitors to enter with innovative, low cost, disruptive models to threaten incumbent banks that are still on legacy technology.

Like every industry, lending has been adversely impacted by the Covid-19 pandemic. Businesses are facing a severe cash crunch caused by strict lockdowns. Industrial activity has come to a standstill and jobs have been lost across the board. This is having a cascading effect on both consumer and business loans; retail loan delinquency has almost doubled, and a similar trend is seen in mortgage loans. Banks’ non-performing assets are set to double in the coming quarters. To stay relevant, one needs to play their best and win the market share.

On top of everything, non-bank players are making bold moves with new lending business models to challenge incumbents to reimagine their own lending strategies to remain competitive in an industry they once dominated.
To Succeed One Needs to Take a First Principle Approach

Technology has rewired consumer-brand interaction. Goods that might have been tweaked somewhat based on demographics, are now being personalized to suit individual consumers. Digital experiences from other industries are coming to lending, in response to consumers’ demands for better pricing, faster approval and frictionless interaction across loan application, disbursement and servicing. Specifically, banking customers of all types are asking for online loan applications, transparency in interest rates, and more control over managing loan products and services. It’s time for banks to go back to basics or first principle thinking to reimagine their lending business for the digital age. Broadly, this involves the following three steps:

**Build customer-centric propositions**

A modern digital platform is indispensable to customer-centric lending. The right platform offers customers the convenience of anytime-anyplace access to loan application, approval and disbursement within minutes, configurable products and prices, and hyper-personalized offers that are well integrated into their primary journeys.

**Operate at significantly higher efficiencies**

Efficiency improvement is one of the key promises of a digital lending platform, which enables banks to go paperless, minimize or even eliminate human intervention, and gain visibility into lending processes. Automation across the front, middle and back office raises efficiency throughout the lending value chain. The unified platform also strengthens the blended workforce proposition where a digital workforce operates alongside humans to amplify lending outcomes, across customer segments.

**Drive continuous innovation**

A platform’s biggest advantage is that it elevates innovation ability to new levels. For instance, it enables banks to create lending models that transcend asset-based and other traditional models and also supports customer-centric design and customer-designed products. It allows for risks assessment through a host of non-traditional data sets available publicly or through interfacing agencies. Over and above this, it facilitates collaboration with the ecosystem using APIs so the bank can practice marketplace lending, build syndicated lending products and add complementary products like insurance to home loans.

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First principle approach to accelerate your journey towards truly digital lending

- **Build customer-centric propositions**
  - Convenience – Anytime & anyplace
  - Speed – On-demand lending, faster approvals and rapid disbursement
  - Tailored pricing – Tailored for unique context
  - Integrated with primary journeys

- **Operate at significantly higher efficiencies**
  - Truly digitized processes
  - Robust automation across front-to-back
  - Unified platform for variety of loans
  - Augmenting human capital with digital workforce

- **Drive continuous innovation**
  - Flow based lending
  - Customer-designed products
  - Ecosystem innovation
  - Risk assessment with non-traditional data
Finacle Digital Lending Solution Suite

Accelerate your journey towards a truly digital lending platform

The Finacle Digital Lending Solution Suite is an enterprise class, multi-segment, multi-product solution that helps both banks and other FIs originate and service loans across customer segments. The comprehensive solution suite supports the entire loan lifecycle digitally to drive agility in lending, improve risk management, and deliver better operational efficiencies. Finacle brings rich experience in digital lending transformation having delivered more than 450+ lending deployments in over 90 countries.

The solution suite includes:

- A loan origination offering enabling banks and FIs to simplify digital onboarding and strengthen the credit approval lifecycle
- Loan management services enabling banks to manage the loan lifecycle and exceptions digitally
- A comprehensive leasing module for asset and lease lifecycle management
- Centralized limits, collaterals and covenants management to manage exposures and contain risks effectively
- An AI enabled capability to drive intelligent leads prioritization and improve lead to funding ratio

Industry analysts have consistently recognized the Finacle Digital Lending Solution Suite as a market leader for its componentized suite, advanced architecture and comprehensive capabilities across the lending value chain.

Finacle has helped banks and lending-focused financial institutions around the world reimagine their business with digital technologies, such as advanced analytics and AI, to launch tailored products, drive operational excellence, innovate with agility, and enhance customer propositions while managing lending risks.

The Finacle promise

- Flexibility and agility to drive innovation-led growth
- Deeper customer engagement
- Operational efficiencies through automation
- Robust risk management
An industry-leading solution suite designed to accelerate your journey towards a truly digital lending platform

Comprehensive Lending Suite

Advanced Architecture

Simplified Transformation

Better agility to drive innovation and growth

Better customer engagement with enhanced propositions

Better operations for efficiency and scale

Better risk management for safe and secure lending
Comprehensive, Componentized Lending Suite

Modernize at your pace

Globally, lending is becoming more complex. At the same time, banks’ legacy technology is driving up loan acquisition and servicing costs. Ever-increasing customer demands, competitive market pressures, regulatory requirements and credit and operational risk are strangling lending growth. The need of the hour is a comprehensive, modern and robust lending solution suite to drive innovation and build the latest capabilities.

The Finacle Lending Solution Suite exceeds these expectations to give banks a comprehensive lending platform that manages the entire loan lifecycle digitally. Its componentized solutions help to build customized products based on business priorities and support flexible deployment or upgrade of components. What’s more, Finacle enables banks to transform at one go, or in a progressive, phased manner.

With Finacle, banks gain a wide range of enterprise-level products with rich business functionality that can be delivered on all channels. No matter how big or complex the business, Finacle will give it a firm foundation of functional capability, architecture and delivery readiness.

Key Solutions Include:

- **Loan Origination** - Retail loans | Corporate loans
- **Loan Management** - Retail lending | Corporate lending
- **Leasing** - Lease and asset lifecycle management
- **Limits** - Global limits and exposure management
- **Collaterals** - Automated evaluation and monitoring of enterprise collaterals
- **Covenants** - Covenant management, tracking and monitoring
- **FinXEdge Lend** - Lead to funding ratio improvement

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Componentized platform to pace lending modernization

**Loan Origination**
Retail loans
Corporate loans

**Loan Management**
Retail lending
Corporate lending

**Leasing**
Lease & asset life-cycle management

**Limits**
Manage global limits and exposure

**Collaterals**
Automate evaluation & monitoring of enterprise collateral

**Covenants**
Manage, track and effectively monitor covenants

**FinXedge Lend**
Improve lead to funding ratio
Loan Origination

Finacle Origination is an enterprise loan origination solution to simplify the complete credit lifecycle, across retail and commercial loans.

- The solution supports the end-to-end credit lifecycle – from customer application to credit analysis and decisioning, and customer onboarding, across various types of loans, improving cost efficiencies and control.
- It offers advanced underwriting and integrated credit monitoring capabilities to control risk, improve credit quality, and enable tracking and approval.
- Being core system-agnostic, it facilitates integration with external credit bureaus and other enterprise applications for seamless processing.
- A workflow management engine offers a graphical user interface to design workflow sequences and facilitates straight through processing (STP) to optimize business operations.
- The solution allows users to assign multiple limits within a single application (single customer or a group), giving a hierarchical view of all the limits.
- It allows approvals workflows to assign multiple users, enabling multiple approval stages resulting in better tracking and faster application processing.

The system is agile enough to mount quick micro-responses to the constantly changing demands of customers across their unique credit journeys. A high degree of extensibility allows business users to modify or introduce origination processes easily, while the "one platform" approach for all origination requirements improves both revenue and cost ratio.

Enterprise-class capability to support the loan application lifecycle

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Loans

Retail Loans

Finacle helps banks set up and offer various types of retail loan products, from mortgages and student loans to loans for agriculture and consumer durables, as well as auto loans and other asset backed loans. Variants such as builder loans, home saver loans and employee loans are also configurable. The solution’s flexibility supports modification of repayment schedules, carrying forward of overdue demands, and setting payment frequency to suit a customer’s requirements. It offers several disbursement options across currencies, with a facility to credit multiple customer accounts. It also enables multi-source repayment, supports both assisted and auto-recovery. Flexible and configurable fee set up, supports both assisted and auto-recovery. Flexible and configurable fee set up, is possible. The solution offers extensive delinquency controls with system-driven monitoring.

Corporate Loans

The Finacle Lending Solution Suite offers an extensive portfolio of loan products for corporates’ differentiated needs. Banks can create term loans, syndicated loans and overdraft facilities within a single application, and bundle products to up-sell and cross-sell.

Finacle enables flexible drawdown management of bilateral loans with tailored drawdown interest rates, along with comprehensive alerts and notice facilities. Restructuring and revocation facilities assist in application and monitoring of relief packages and support revolving corporate loans with term out options.

In the case of syndicated loans, the solution allows banks to act as participant lender, agent bank and underwriter. Other features include extensive flexibility at facility level, data capture and tracking across agent bank and participant, and creation of multiple tranches under the same facility with a multiple drawdown schedule. The solution offers a consolidated view of payment from the borrower across multiple drawdowns within a tranche, automates payment distribution to participant lenders based on defined configurations. Banks can send multiple notices to the borrower and participant lenders and generate granular inquiries and reports.

Loans Management – Common Services

Finacle offers common loan management services across retail and corporate loans. Banks can track the loan account right from disbursement to recovery; business users can manage the loan lifecycle and exceptions digitally. The solution complements the existing loan origination system, helping banks process and service more loans at lower cost and risk. The system supports multiple repayment options for retail loans – direct debit, manual or automated, fixed or floating interest – and has a maturity-processing feature to automatically close the loan on the due date. For corporate loans, the system offers extensive capabilities to manage overdue liabilities, supports restructuring and revocation, and repayment through forward contracts.

Securitization

Finacle offers comprehensive, flexible securitization capabilities so banks can group homogeneous assets together and transform them into a tradable security. It supports the end-to-end securitization lifecycle starting from account selection through pool formation, assessment and packaging based on risk and return expectations.
Further, the system allows sanctioning transfer of the tradable security to a special purpose vehicle (SPV), processing of customer repayments via escrow handling, and buying back of accounts in a pool as per business needs.

**Delinquency Management**

Finacle offers robust delinquency management capabilities to identify potential defaulters, trigger the right handling strategies, and reduce risk. The system helps identify overdue loan accounts and provides detailed information including days past due (DPD), total liability, total interest demand, total interest collection, and total interest overdue. Users can monitor delinquent accounts by bucketing them as per DPD criteria, allow delinquency rescheduling, and create a demand-offset sequence on non-performing accounts. Options are available to place a lien on operative accounts in case of a shortfall, and multiple iterations for full recovery is supported.

The system provides comprehensive reporting of overdue positions across loan portfolios with drilldown to individual accounts. It also offers automated entries for de-recognizing interest income and transferring it to a suspended account.

**Leasing**

The Finacle Leasing Solution is designed keeping in mind the financial requirements of both lessee and lessor. Banks can manage the entire asset lifecycle by setting up an asset master, which enables asset ID creation, as well as maintenance, purchase, payments, depreciation, insurance, and repossession along with closure and asset disposal. It supports both usage-based and duration-based leasing. Integration of Finacle Leasing with enterprise origination and servicing enables faster resolution of customer requests to reduce maintenance cost and improve end-customer experience significantly.

**Limits**

Finacle Limits is an advanced enterprise-wide limits management solution for real-time tracking and monitoring of customer exposures. It is designed to support multi-currency and multi-layered limits utilization by multiple transaction systems. It provides exposure tracking against limits across multiple business entities of banks across different countries. Earmarking limits, transfer of limits and restructuring of limit hierarchy further enables banks to deliver tailored products.

Banks can define global and local limits for individual and grouped customers to give multi-currency limits with exposure revalued with exchange rate fluctuation. Furthermore, integration with multiple transaction, trade and treasury systems helps track exposures in real-time. With Finacle, banks can sanction temporary limits, graduate limits to cater to seasonal variations in credit demand, map covenants to limits and track them at predefined time intervals.

**Collaterals**

Finacle Collaterals is an advanced enterprise-wide collateral management and valuation system. It supports dynamic creation of new collateral types such as property, vehicle, security, guarantee, deposit, machinery, livestock and others. It also allows creation of a basket collateral of different types and currencies. The module has flexible fee management and exception handling capabilities. Across the collateral management lifecycle, the system offers key capabilities such as collateral lodgment, linking to facilities or accounts, revaluation, substitution, delinking and release, there is also real-time monitoring of (market-linked) collateral values and collateral mapping for revaluation to maintain realistic loan limits.

Using the solution, banks can valuate collateral according to face value, market value, repurchase value or default value. Further, apportioning a single collateral to multiple facilities and a single facility to multiple collaterals, and classifying them as primary or secondary, is possible. The solution also supports capture of insurance / repossession details and foreclosures, and has the infrastructure to support the workflow for these processes.

**Covenants**

With Finacle Covenants Management, banks can set up covenants while processing a credit facility and monitor it constantly during the loan agreement period. It is possible to create a centralized definition of terms and conditions, customize workflows linking different covenants to group entities and automate the monitoring of those terms with a single view of a covenant’s performance at a defined frequency. The system also enables users to update the covenant’s value, status and remarks or register a compliance breach.

**FinXEdge Lend**

FinXEdge Lend is a data-driven intelligence platform powered by advanced machine learning. It is designed to help lending organizations convert leads to customers. The solution leverages data to build a propensity model that can predict lead conversion, fallouts, and offers retention strategies by recommending the right product to improve conversion.
Future proof your lending

The lending business today faces unprecedented flux, as multiple disruptive trends collide with traditional business models. Being a preferred lender for both consumers as well as corporates requires imagination on several fronts – acquiring clients, building and selling loan products tailored for the digital world, managing pricing pressures, integrating channels, collaborating with ecosystems, mitigating risks, and streamlining internal and client-facing processes.

Digital-savvy banks look towards technology to deliver enhanced propositions across the lending lifecycle. But the archaic technology environment in many banks – complex legacy solutions built on obsolete technology and existing in silos – is not quite ready to change. This stifles innovation and hampers their ability to create benchmark loan products. Banks need to overcome this challenge and adopt a modern lending platform built on advanced architecture in order to become agile, flexible and scalable.

The Finacle Digital Lending Solution Suite is built on industry-leading architecture. Its highlights include:

- **Contemporary layered design** consisting of data model layers, business components, service composition, customer engagement, APIs and UX.
- **Cloud-native solution** facilitating automation so banks can run lending applications on any cloud environment. It is fully aligned with cloud-native framework based on Cloud Native Computing Foundation (CNCF) standards, and follows the Twelve-factor App Methodology. Finacle leverages Kubernetes for container orchestration in a cloud environment. It helps define, manage and upgrade applications with ease. It prevents vendor lock-ins and allows applications to be ported easily.
- **Data and analytics** with pre-integrated data models that can ingest any type of data from any source to deliver actionable insights embedded in the lending business flow.
- **Componentization** for bundling smaller packages as right-grained services that enable faster assembly of lending components. Being a micro services-based componentized solution, it ensures that the components are agile, available and scalable.
- **Declarative and RESTful APIs** that empower banks to co-innovate lending propositions with external ecosystems.
- **Scalability, performance and resilience** to power organic and inorganic growth and the heightened responsiveness expected in a truly digital lending world.
- **Robust security** enablers across infrastructure, data, and application layers.
- **Continuous deployment** that offers a set of tools for automation enabling continuous integration during development and continuous delivery during deployment. This enables an agile response to ever-changing lending requirements.
- **Configurability, localization and extensibility** to meet local practices and compliance; freedom to extend the solution independently for a specific market requirement in which the bank or lending institution operates.
- **Event-driven architecture** for dynamic event-driven processing.
Industry’s most advanced architecture, empowering you to do more

1. Cloud-native solution
2. Data and analytics
3. Componentization and micro-services
4. Declarative and RESTful APIs
5. Scalability, performance and resilience
6. Continuous deployment
7. Robust security
8. Continuous deployment
9. Configurability, localization and extensibility
10. Event-driven
11. Contemporary layered design

The Forrester Wave™: Digital Banking Processing Platforms, Corporate Banking, Q3 2020

“EdgeVerve’s Finacle Digital Banking Solution Suite supports retail, business, and corporate banking. The DBPP’s application architecture is state-of-the-art, supports a variety of application infrastructure stacks for on-premises deployments, and can run in the clouds of providers such as AWS, IBM, Microsoft Azure, and Oracle. The vendor’s cloud strategy goes beyond cloud based delivery models and also considers banking application ecosystems and platform-as-a-service plans, for example. Further strong points of the DBPP are its active ecosystem of system integrators and its support of APIs.”

- Forrester Wave™: Digital Banking Processing Platforms (Corporate Banking), Q3 2020
Simplified Transformation

Experience agile, risk-mitigated modernization

Today, technology is changing the way loans are applied for, approved and disbursed. Fintech companies and challenger banks are leading the charge, offering tailored loan products and services on low cost digital-only platforms, backed by superior customer service. To compete, traditional lenders need to shift to a unified, extensible lending platform and focus on products meeting emerging demands and preferences.

Finacle enables banks to transform their lending business with agility, in risk-mitigated fashion. Whether it is a big bang switchover, progressive deployment or complete overhaul, Finacle helps banks transform at their own pace.

The following tenets simplify the transformation and mitigate its risks:

Finacle reference bank models for cutting complexity and time

Banks can leverage Finacle’s rich experience spanning 90 countries with 450+ installations, global best practices, and innovations to transform their lending landscape. The solution’s reference model provides geo-specific parameterization so banks can roll out loan products meeting local requirements. Ready interface adapters facilitate connections with external interfaces, such as local payments systems, and third-party agencies, such as credit bureaus, agents and so on, to further expedite the set up process. Banks can easily customize the best global process models to meet local reporting and compliance requirements.

Phased transformation for maximizing business outcomes

The fully componentized structure of the Finacle Digital Lending Solution Suite allows banks to set up flexible modernization milestones. This clearly reduces transformation risks while accelerating the benefits of modernization. The business priority mapping and value realization models continually assess transformation progress and outcomes.

Agile delivery for progressive launches

Finacle implementations are done with agile methodology. This approach enables banks to achieve solution excellence, while frontloading risks and practicing strong governance.
Simplified and risk-mitigated transformation

**Reference bank**
- Global best practices + innovations + localized solution
- Coverage for local products - parameterization for geo-specific innovations
- Interface configuration for local payments systems, third party agencies - credit rating agency, brokers, auditors

**Phased transformation**
- Progressive modernization
- A phase-wise approach
- Business priority mapping and value realization

**Agile delivery**
- SAFe Agile Practice
- CI-CD, end to end release automation
- Progressive launches
Agility to Drive Innovation and Growth

Making lending business ready for a digital world

A standard loan product with little or no customization, delivered through limited channels, is fast losing relevance. Open banking directives, new technologies and regulation are changing how lending institutions originate and service loans. They have instant access to customers’ up-to-date financial information enabling them accurately determine loan eligibility. As a result, lending digitization is on the rise and alternative lenders with new business models are becoming more attractive to customers.

Progressive banks realize that the future is about building a digital lending platform that delivers contextual, niche products meeting unique requirements; it also entails offering white-labeled lending services to other financial institutions to achieve a differentiated cost-curve and revenue model.

New-age lending dynamics call for a digital product engine that will not only host a bank’s own products, but also widen the scope of offerings to include complementary products sourced from a partner ecosystem. The bank’s role will change from merely pushing its own products to recommending contextual offerings built to suit the needs of clients, both consumer and corporate. This will also enable it to weave lending offerings into a customer’s primary journey or intent.

Finacle’s Approach

- A product factory enables banks to manage the loan lifecycle digitally and along with extensive parameterization, reusable business rules, and processes, helps business users determine customer eligibility, tailor pricing, control rollouts, manage loan overdue parameters, and set up or modify repayment schedules. Banks can tailor and take new products to market at speed and low cost.
- Open APIs ease collaboration with partners, Fintech companies, corporate clients and the extended developer ecosystem. Banks can run a marketplace-lending business, and expand across e-commerce platforms, digital platforms and digital wallets.
- Access to global innovations built on best practices from lending implementations in over 90 countries, with global product templates and localization components, to help meet local practices and extend the solution independently.
- The Finacle AppCenter brings an ecosystem of large partners and Fintech startups to complement the Finacle solution suite and accelerate lending innovation.
- Innovation flagship programs, such as the banking visionaries’ council, Finacle client advisory board, joint hackathons, and design thinking-led workshops, bring together Finacle thought leaders and banking experts from around the world to spark lending innovation.
Enabling inside-out and outside-in capabilities to drive innovation in lending

Marcus by Goldman Sachs deploys Finacle solution on Cloud for its new online lending business

“With the successful deployment of the Finacle Core Banking Solution, we have the ability to respond to customer needs, the scalability to adapt to market requirements whilst providing the superior customer experience required in today’s competitive digital age.”

- Boe Hartman, CTO, Marcus by Goldman Sachs (Digital Finance Technology)

Referring to the Press release dated Nov 30, 2016 - Marcus By Goldman Sachs Deploys Finacle Solution On Cloud For Its New Online Lending Business

Powering ICICI Bank’s instant digital credit “Pay Later”

ICICI Bank was looking at alternative to the high cost, traditional credit card business in times of changing customer preferences for digital commerce. Using the Finacle Digital Lending Solution Suite, the Bank introduced “Pay Later” providing short-term credit to customers digitally, at zero cost. With instant digital credit, not only the customers can make purchases on credit, it is much more convenient, economical and hassle free.
Customer Engagement for Enhanced Propositions

Driving customer-centricity in lending

Mobile-first strategies and simplified online interfaces are fundamentally changing customer experience and digital engagement in banking, including lending, by improving access, convenience, security and speed. With companies accelerating the digitization of their lending operations, the demand for sophisticated digital lending solutions to drive deeper customer engagement, is on the rise.

Consumers, while expecting a wide choice of loan products, also seek flexibility to augment their lending experience so they may tailor products and manage them on an ongoing basis, digitally. Similarly, businesses are looking for enhanced propositions with omnichannel capabilities and access to integrated solutions to save time, cost, and unlock liquidity, all at competitive prices.

Banks are expected to provide technology and business solutions that best meet such requirements. For that, they need new operating models that deliver products and services cost effectively across channels and fulfill new customer needs through innovation. Digital lending is a gateway to deeper customer engagement and it is time FIs made it central to their overall strategies by renewing focus, increasing investment in new technology and driving innovation.

Finacle’s Approach

- Tools, such as a pre-eligibility questionnaire, loan calculator, rate comparator and other product illustrators to enhance borrowers’ digital experience.
- Product personalization enablers, with options to allow end customers to decide loan term and EMI holidays.
- Instant credit approval with real-time credit scoring and counter offers.
- Customer empowerment through facilities to top-up loans, request payment holidays, track expenses, and simulate pre-closure of a loan account digitally.
- Finacle Digital Engagement Hub to enable clients with seamless access to loan products across channels and devices.
Bank RAKYAT Indonesia disrupts the unsecured loan market with digital solution

"With the presence of Pinang, Bank BRI Group is able to reach more volumes of customers in Indonesia at high speed (from application to disbursement in less than 10 minutes without a face to face meeting). Pinang is BRI’s radical innovation catering to the ultra-micro customers creating a seamless and economical on boarding process. The reimagined process provides a faster, cheaper and safer digital lending in Indonesia. With the persistent support of the Infosys management and the robust Infosys Finacle digital banking suite, BRI’s vision of accelerating Indonesia financial inclusion is one step closer."

- Kaspar Situmorang, EVP Digital Center of Excellence, Bank Rakyat Indonesia

Referring to Finacle solution for lending
Enhance Operational Efficiencies

**Achieve operational excellence and scale through automation and AI**

Lenders are under constant pressure to reduce operating costs, while meeting customers’ expectations for better loan products, services and experiences. The lending value chain is opening up to new players and business models built on the latest digital tools, such as robotics and AI. The only way traditional banks can stay in the game is by adopting these tools and business models.

Those that automate lending activities will end up with agile processes, higher efficiencies, better customer experiences, and on the winning side.

**Finacle’s Approach**

- Offer traditional automation levers, such as rule-based STP and open APIs, across lending systems to automate integration and enable seamless information flows.

- Leverage enterprise-wide process engines to orchestrate business processes and enhance automation.

- Accelerate operations by applying a native robotic process automation tool for repetitive and rule-based human processes.

- Offer AI-driven automation to improve sales strategies. FinXEdge Lend helps to increase the lead to funding ratio by acquiring good leads and enabling faster conversion of creditworthy loan accounts.

- Support multiple entities on a single instance of application, infrastructure and database enabling banks to centralize lending operations or create regional hubs across countries, time zones and languages.

- Provide product configurations to manage unforeseen business situations – extend moratoriums, defer asset classifications, reschedule payments and ease working capital financing.
FE Credit
Lending transformation to meet its growing business needs

FE credit, one of the fastest growing non-banking consumer lending finance companies in Vietnam, was looking for a modern lending solution to support its high credit growth rate. With Finacle, it built a robust platform to meet future growth requirements and manage an ever-growing loan products portfolio. The Finacle Digital Lending Solution Suite enabled FE Credit to open 3 million new loan accounts and cut processing time by 60% through automation.
Better Risk Management

Making lending safe and secure

The lending risk function is gaining strategic relevance in the wake of turbulent market dynamics and economic volatility. To compound matters, geo-political compulsions are introducing populist and protectionist measures that can affect the business. Increasing regulatory requirements are inflating cost to compliance. All these factors are impacting lending-related risk management.

Evolving technology will play an important role in building new capabilities in risk management and surveillance. FIs need a real-time risk monitoring solution and a host of other capabilities such as automation and AI enablers, embedded analytics and decision heuristics, and early warning systems with smart visualization and risk reporting interfaces to drive excellence in lending risk management.

Finacle offers a broad suite of capabilities to help banks build a robust risk management system with real-time capabilities.

Finacle’s Approach

- Offers a unified 360-degree view of customer relationships across international or local subsidiaries, group holdings and at sub-entity level for better risk management.

- Centralized limits, collaterals and covenants management to effectively manage exposure and contain risk.

- Leverage embedded intelligence from Finacle Insights to manage credit assessment and monitor loan performance. Prebuilt use cases, such as credit scoring risk and probability of default, consider alternative data sources to provide key insights.

- Offers product-native capabilities to manage approval workflows and audit controls.
Robust capabilities across core to manage risks better

- Unified real-time view of exposure
- Convenant monitoring
- Collateral management
- Global limits - across group entities
- Approval workflows
- Audit controls
The industry-leading performance of Finacle clients reflects our commitment to scaling digital transformation. An assessment of the top 1000 banks globally revealed that institutions powered by Finacle enjoy –

- 33% higher returns on assets than others, with average returns on assets at 1.2% and **top-performing client at 4.7%**
- 19% higher returns on capital than others, with average returns on capital at 15.6% and **top-performing client at 33%**
- 3.9% points lesser costs to income ratio than others, with the average ratio at 47.2% and **top-performing client at 16%**

**Experience That Speaks for itself**

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<tr>
<td>33%</td>
<td>higher returns on assets</td>
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<tr>
<td>19%</td>
<td>higher returns on capital</td>
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<tr>
<td>3.9%</td>
<td>points lesser costs to income</td>
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Experience that Speaks for itself

Year after year, Finacle is chosen as a leader in independent industry assessments by major analyst firms.

Industry leading solution

Gartner

Positioned as a Leader, for the 13th time in a row, in Gartner 2020 Magic Quadrant for Global Retail Core Banking

IDC

Rated as a Leader in IDC MarketScape: Worldwide End-to-End Corporate Banking Solution Providers 2019 Vendor Assessment

Forrester

Rated as a Leader in The Forrester Wave™: Digital Banking Processing Platforms (Corporate Banking), Q3 2020

Rated as a Leader in The Forrester Wave™: Digital Banking Engagement Platforms, Q3 2019

Celent

Rated as a Leader in Celent A8CD: Modern Core Banking Systems, 2019 (Asia-Pacific & North America Mid-Large Bank Edition)

Industry recognitions for Finacle solutions and transformation programs

Emirates NBD Liv. – The Best Digital Bank

Australian Military Bank – Co-operative Bank Transformation

Future Digital Awards

Presented by Juniper Research
Infosys Finacle & Emirates NBD Liv.

Best Use of IT for Lending
- Bank BRI - BRI Ceria

Best Digital Lending Implementation
- Best Project Implementation
- Bank Rakyat Indonesia

Best Lending Transformation in Africa
- Standard Bank and Infosys Finacle

Gartner

IDC

Forrester

Celent

Future Digital Awards

Best Lending Transformation in Africa

Best Use of IT for Lending
- Bank BRI - BRI Ceria

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Future Digital Awards

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