

SUCCESS STORY

ON Semiconductor

The company's products help engineers solve their unique design challenges in automotive, communications, computing, consumer, industrial, medical and military/aerospace applications. Manufacturing locations in 9 countries, \$3.5 billion revenue 2015, HQ in Phoenix Arizona.

ON Semiconductor®

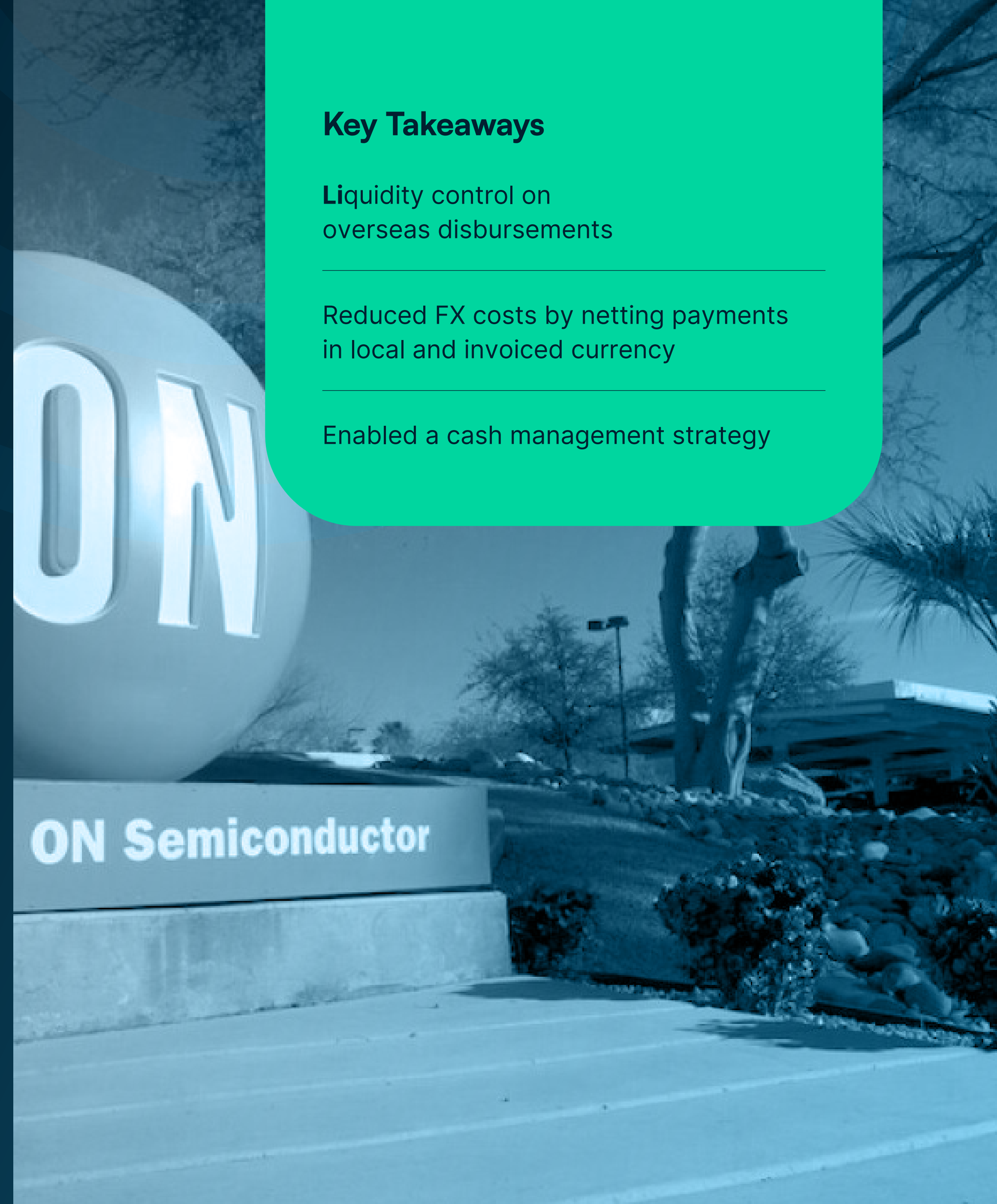


Key Takeaways

Liquidity control on overseas disbursements

Reduced FX costs by netting payments in local and invoiced currency

Enabled a cash management strategy





Process

Invoices are extracted from Oracle ERP. Within the ERP transactions are grouped by supplier name and/or same bank account. Two netting cycles per month with approx. 20,000 invoices resulting in approx. 800 payments. ON Semi uses customized file import formats and settles using local payments for common currencies (mainly USD & EUR) formatted in XML. USD payments are made via ACH & wire. ACH payments are identified by an ACH ABA, wire by a wire ABA and by SWIFT BIC. Euro payments are sent via SEPA within the qualifying countries and by SWIFT elsewhere. The rates used are on a pre-negotiated spread with Bank of America Merrill Lynch and are held by the Bank while ON Semi completes their payment process thus allowing a one shot approach. Settlements are disbursed from currency accounts based in London.



Procedure

Extract from ERP supplier details, participant banking information and invoice information and upload to GTreasury Netting. Authorise participant information in GTreasury Netting, import FX rates. GTreasury Netting creates payment files and log reports. Click the 'Execute Payments' button to send XML files via sFTP to the Bank. The Bank will respond momentarily with EDI reports for the payments sent showing rejections/acceptance. Later 2nd and 3rd level reports on payments made are emailed to a team email address including rate confirmations. GTreasury Netting provide a file to reconcile ERP vs payments made.



Benefits

Liquidity control on overseas disbursements (amount and schedule)

Enabling Cash management strategy, delaying payments at quarter end if needed

Reduce overall FX costs, net payment by business units in local currency and net to suppliers in invoiced currency

Reduce payment costs. All payments are sent low value ACH where possible

About GTreasury

GTreasury provides CFOs and Treasurers with **The Clarity to Act** on strategic financial decisions with the world’s most adaptable treasury platform, empowering them to face the challenges of today and tomorrow. Because each company faces different points of complexity and needs, our industry-leading solutions are purposefully designed, and amplified by GSmart AI, to support every stage of treasury complexity, from Liquidity Management and Cash Forecasting to Payments, Risk, and Netting.

With GTreasury, financial leaders gain comprehensive connectivity across all banks and ERPs to build an orchestrated data environment, enabling rapid value realization with implementations up and running in weeks. Plus, our unmatched industry expertise ensures your continued success through dedicated guidance and top-tier support.

Trusted by over 1,000 customers across 160 countries, GTreasury provides treasury and finance teams with the ability to connect, compile, and manage mission-critical data to optimize cash flows and capital structures. To learn more, visit GTreasury.com.

GTreasury is headquartered in **Chicago**, with locations serving EMEA (**London**, **Geneva** and **Dublin**) and APAC (**Sydney**, **Singapore** and **Manila**).



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