Forge Digital Banking Platform Progress Report

central 1

The **Forge Digital Banking Platform Progress Report** is a snapshot of major activities and key accomplishments over the past quarter, and a look ahead to our priorities for the coming months. Sharing this information is part of our continuous effort to keep Forge clients and partners well informed, and well positioned to move forward to implementation readiness.

How Are We Doing?

Coming off our public web site and mobile app minimum viable product (MVP) launches in late October, we've maintained strong momentum in the past three months. Progress has continued as we working closely with our Champions to reach further important milestones in the weeks ahead.

For those who are less familiar, MVP is the initial set of features enabling product launch. Once at MVP, Central 1 and our Champions can further build out the products toward market-readiness. The market-ready stage is called the minimum marketable product (MMP), and in the case of the Forge mobile app and public website, is the next milestone.

We anticipate having a white-labeled mobile app within a multi-tenanted environment before the end of the first quarter of 2019. This will enable our next two mobile app Champions to begin piloting the mobile app within a test environment.

Looking to our broader Wave Zero Champion group, eight of our 11 Champions are on track to implement the public web site in the April-to-June window. Three of those eight are also expected to implement the mobile app, and one is expected to implement all three components (including online banking). Several different banking systems will be encompassed within Wave Zero implementation.

Waves Ready to Start Rolling

Preparations for Wave 1 implementation of the Forge platform is progressing and on track for the July-to-September window. As of the end of January, Wave 1 was nearing full capacity, with 24 clients signed up to proceed at this first large-scale, multi-client stage.

Close to two-thirds of all Forge clients have now identified their preferred implementation wave, among the six that will roll out sequentially between July 2019 and December 2020. The large majority of those who have selected a wave have also signed letters of commitment.

While several clients are currently signed up for Wave 2 in October-to-December, as with most subsequent waves, it has a larger capacity of up to 50 clients, meaning there are still slots available for clients who have not yet selected a wave and may wish to proceed with implementation this year.

In combination with the 11 Champions, current Wave 1 clients collectively represent nearly 900,000 active customer-users.

Overall Forge Platform
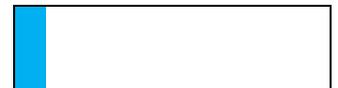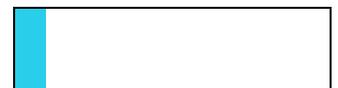
Target MVP Completion

October 2018

Mobile App

October 2018

Public Site

Online Banking (April 2019)

Commercial Banking

Small Business

Security

Get the latest Forge updates and information at
www.central1.com/digital-banking

For specific questions, please contact your Relationship Manager.

Online Banking Leveraging Mobile App to Advance Development

Forge Online Banking feature development began in late December. The squad has been progressing well along two tracks since then, towards a target of an MVP launch in April.

The rapid advancement of the online squad is in part due to its ability to leverage previous development work done by the core, public site and mobile app squads. Of the 13 online banking features to be included in the MVP, eight of the features are leveraging the mobile app build. These eight features will include log-in, bill payment and e-transfers, which are being adapted for use in web online banking.

To ensure the other five features are in place for MVP, the online squad is embedding functionality from the MemberDirect platform. Comparable Backbase-native and Forge-specific features will be built subsequently. All of the online banking features on Forge will have a consistent appearance and seamless operation, creating a modern design with excellent ease-of-use.

Commercial Banking Designed to Capture Market Share

Forge Commercial Banking has progressed rapidly since work began in November, and is on track for minimum viable product (MVP) launch by the end of 2019. The product suite is being designed to support deeper penetration – on the part of our clients – into the competitive commercial banking market, an area of business currently heavily dominated by the big banks.

Building on this vision for business growth, commercial banking champions and the Forge squad recently worked together to map the foundational features that need to be in place for MVP launch. This work is being further validated through outreach to other interested commercial clients.

'We're designing a product that will help move the needle on commercial business volumes.'

The higher-value features that will be included in the MVP version of Commercial Banking are being selected in part with reference to the best opportunities to capture market share. Research has shown, for example, that there is less of a perceptual barrier – to working with our client group to meet commercial banking needs – within specific customer segments such as municipalities and stratas.

"We're designing a product that will help move the needle on commercial business volumes," says Randy Johal, Senior Product Manager. "Research suggests that over 90 of our clients have a commercial lending book, and Forge will help them to expand their offerings, capture higher margins, and gain more reliable revenues from non-loan activities."

There will be significant opportunities to leverage work on the commercial and retail product suites during the development of Small Business features for Forge, and this will support timely rollout of these additional capabilities.

Open Innovation Capacities in Development

One of the most exciting features of Forge is its 'open innovation' capabilities, that will enable users to build their own widgets and features, which in turn will become broadly available as part of the bundled Forge product offering.

The Forge tribe is currently working with a small group of clients to test and refine the integration of customized features into the Forge platform. This work will provide important guidance to enable new features and innovations to be incorporated into the platform and made available to all clients. It is anticipated this work will be completed in April and ready to start to be shared with clients wanting this capability.