



SUCCESS STORY



The Right Components for Secure and Compliant Global Payment Processes:

| How DRÄXLMAIER Minimizes Risks with TIS.



ABOUT DRÄXLMAIER

DRÄXLMAIER is an automotive supplier of innovative wiring systems, battery systems, modern electrical and electronic components, as well as exclusive interior. Founded in 1958, this family-owned company supplies premium car manufacturers worldwide. Its customers include car manufacturers such as Audi, BMW, Jaguar, Land Rover, Maserati, Mercedes-Benz, Porsche, and VW. DRÄXLMAIER generates an annual revenue of around 5.6 billion euros (as of 2023). The company employs over 70.000 people across over 60 locations in more than 20 countries worldwide.

DRÄXLMAIER KEY FACTS



Founded in
1958



Annual revenue of
5.6 billion euro



>70.000
employees



> 60 locations
> 20 countries

PAYMENT PROCESSES UNDER ANALYSIS: COMPANIES TARGETED BY GLOBAL FRAUD ATTEMPTS

The automotive industry, as a high-revenue, globally operating industry with an extensive network of suppliers and business partners, is frequently targeted by fraud attempts.

Publicly known damage cases among automotive suppliers have sometimes caused extraordinarily high financial fraud losses in the double-digit million range. In order to identify and resolve possible problems in payment processes, DRÄXLMAIER further expanded their already high internal security standards in payment operations:

A central payment hub was implemented, which acts as an additional, system-supported security step for adherence to their internal guidelines and which further includes specialized solutions for fraud prevention and compliance.

THE CHALLENGES FOR DRÄXLMAIER IN GLOBAL PAYMENT TRANSACTIONS BEFORE THE INTRODUCTION OF TIS

DRÄXLMAIER operates around 80 entities, with locations spread across various countries in Europe, Asia, North America, and Africa. Due to this extensive, worldwide business activity and the numerous entities in different countries, DRÄXLMAIER has a correspondingly extensive, complex, and heterogeneous banking landscape.



Before DRÄXLMAIER decided to implement TIS, the various accounts were mostly accessed via a variety of different eBanking solutions. In addition, the accounts at the different banks were often managed locally, making it cumbersome to maintain a central overview of the authorized signatories. Personnel changes required lengthy correspondence with the banks before new employees could become active or existing authorizations could be deleted.

At the same time, working with different eBanking solutions meant there was no unified process for payment transactions on a global level. Manual steps in both payment creation within various systems (ERP, different HR applications, TMS, etc.) and the forwarding of payment files to banks could not be avoided. The same applied to the manual aggregation of information from different sources to create centralized overviews. Additionally, it was sometimes unclear whether the banking platforms in use were even suitable for mass payments, yet they had to be used due to a lack of alternatives.

Given the backdrop of increasing global payment fraud and the ever-more sophisticated fraud scenarios, DRÄXLMAIER was actively seeking digital solutions to prevent fraud attempts targeting manual processes.

PROJECT GOALS WITH TIS

- 1 Audit-proof, compliant and automated payment processes worldwide to close potential risks and gaps in the audit trail
- 2 Improved transparency over account balances, authorized signatories, and cash movements
- 3 Elimination of as many eBanking solutions as possible



Reaching the central project goals was to be achieved through a central payment hub, ensuring smooth data transfer between numerous accounts worldwide and back-office systems (ERP, HR, TMS, etc.). The aim was to achieve seamless, harmonized data flows and to simultaneously eliminate as many error- and manipulation-prone manual steps as possible.

However, this payment hub was not only meant to prevent fraud and errors through excellent system connectivity, bank connectivity, and workflows but also to offer an additional portfolio of solutions for proactive fraud prevention and compliance with regulatory requirements. As a result, TIS was chosen.

Another important aspect was that TIS, as a central cloud-based solution, allows for more efficiency and flexibility in the integration of new subsidiaries worldwide and in global payment transactions.

PRIMARY PROJECT OBJECTIVES IN DETAIL

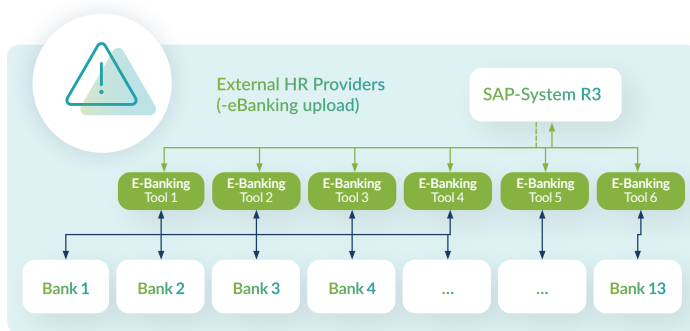


Payment Transactions, Fraud Prevention, and Sanctions List Screening

- **Risk Minimization** through the reduction of manual and semi-automatic payment processes
- **Transparency** at a global level for account balances, payment transactions, and signatory authorization
- **Compliance Adherence** with internal and external requirements (TIS is a Swift Certified Specialist)
- **Sanctions List Screening** by TIS for easier compliance with regulatory requirements

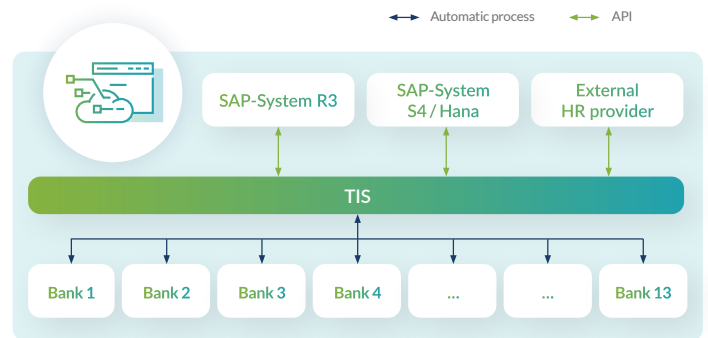
- **Agile Fraud Prevention** that continuously self-improves through TIS Payee Community Screening (PCS)
- **Centralization** of bank connections
- **Significant Reduction** of numerous eBanking tools
- **Simplified Administration** of bank authorizations
- **Centralized Bank Account Inventory**
- **Simplified Reporting** (report generation from TIS or interfaces to reporting tools)

THE PROJECT AT A GLANCE



Situation before TIS

- Plurality of systems
- Manual processes
- Lack of automation



Setup with TIS

- Unified platform
- Automated data-exchange;
- Transparency across countries and entities
- Centralised bank connectivity

TIS maintains one of the largest libraries of financial messaging formats worldwide, which is consistently extended and kept up to date. This allows TIS to establish connectivity for its clients to potentially more than 11,000 banks through preferred channels (H2H, Swift, EBICS, API, etc.). This way, more than 84,000 bank accounts have already been connected to the TIS platform. For DRÄXLMAIER, TIS established bank account connectivity to several hundred accounts via EBICS, H2H, and Swift. As DRÄXLMAIER operates in many countries where payment transactions are not as unified and standardized as, for example, in Central Europe, this is a remarkable handling of format complexities.

GLOBAL FOOTPRINT OF DRÄXLMAIER



Europe

Germany, Austria, Great Britain, Hungary, Italy, North Macedonia, Poland, Republic of Moldova, Romania, Serbia, Slovakia, Spain



America

Mexico, Nicaragua, USA



Asia

China, India, Malaysia, Thailand, Vietnam



Africa

Egypt, South Africa, Tunisia

Countries where TIS has been fully or largely rolled out at DRÄXLMAIER:
Germany, Austria, Great Britain, Hungary, Italy, Malaysia, Mexico, North Macedonia, Poland, Romania, Serbia, Slovakia, Spain, Thailand, Tunisia, USA, Vietnam

“TIS is now our central hub to our banks. Even in countries with highly complex financial and banking landscapes, we benefit from unified, audit-proof processes, full transparency over accounts and balances, and seamless data transmission between back-office systems and banks. This ensures exactly the efficiency gains and risk minimization we were hoping for.”

Christian Anzinger
Group Treasurer, DRÄXLMAIER

TIS FRAUD AND COMPLIANCE SOLUTIONS USED BY DRÄXLMAIER

Sanctions Screening and more

The Sanctions Screening in TIS serves as a digital safety net for companies to reliably meet compliance requirements according to all relevant global sanctions lists (EU, OPAC, UN, etc.). This is enabled by the daily updating of the lists and a flexible yet centralized platform, allowing for the monitoring of the entire global payment transactions and the real-time handling of potential compliance cases.

Additionally, TIS offers the option to create customizable safelists for trusted recipients, significantly reducing the number of false positive alerts. Custom blocklists can also be created to further enhance the efficiency of this compliance solution along with the customizable screening workflow.

DRÄXLMAIER can now fully rely on TIS for sanctions screenings and is extremely satisfied with how quickly and seamlessly this solution could be implemented.



More information on the
TIS Sanctions Screening.



TIS FRAUD AND COMPLIANCE SOLUTIONS USED BY DRÄXLMAIER

Payee Community Screening (PCS)

The Payee Community Screening (PCS) in TIS is based on hundreds of thousands of authenticated payment and recipient data obtained from the TIS community. Fully GDPR-compliant, these data are used as an ever-evolving library of trusted transaction and recipient information. When unverified or mismatched account and recipient data are detected, an alert is triggered.



For over a year now, DRÄXLMAIER has been successfully using the PCS. If there was an attempted fraud incident, the PCS reacted correctly and issued a warning. This occurred, for example, in the case of a bank account change on a manipulated invoice. Following receipt of the warning, subsequent process steps are crucial. For instance, various communication channels should be utilized to verify the flagged payment data, such as shifting correspondence from email to telephone.

More information on the
TIS Sanctions Screening (PCS)



“With the Payee Community Screening (PCS), we have already successfully identified attempted fraud through manipulated invoices. What influenced our decision for the PCS was that this community solution becomes increasingly better and more sophisticated over time with growing data, thus updating itself, and allowing us to handle alerts in real-time.”

Christian Anzinger
Group Treasurer, DRÄXLMAIER

RESULTS

Payments and fraud prevention with TIS

Outcome of the TIS implementation according to the primary project goals:



- Internal audit with positive results
- GDPR issues resolved
- Reduced format complexity
- Closed security gaps
- Efficiency increased
- Simplified administration
- Gained transparency
- ... and more

Potential points of attack for fraud and errors resulting from manual steps in payment processes in the past have been closed. In addition to the project goals described above also positive side effects could be achieved: for example, master data management and data quality experienced a remarkable improvement.

The time and effort required for data classification during system implementation in a project of this magnitude (around 80 locations, over 40 banks, approximately 400 accounts, various countries, and continents) cannot be underestimated. This is especially true for local, non-standardized system solutions that need to be integrated. However, the more meticulous and comprehensive the approach, the greater the long-term benefits.

Additionally, a centralized solution consolidates responsibility at the headquarters. The slightly increased administrative workload for the headquarters is offset by cost considerations, synergy effects through standardized processes, and a significant relief for employees at regional locations.

With TIS's cloud-based platform, DRÄXLMAIER can now make its global payment transactions more efficient and secure. Harmonized data flows between back-office systems and banks have closed gaps and made various eBanking solutions obsolete. TIS specialized solutions around compliance and fraud prevention serve as an additional safety net. Thus, not only were risks significantly minimized and processes optimized, but DRÄXLMAIER is also well-positioned for future company growth, ensuring flexible, secure, and compliant management of payment transactions.

TIS IN NUMBERS



150+
Countries



300+
B2B Client



300+
Expert Staff



34k+
Users



1k+ Systems
Connected



140k+
PMT Profiles



11k+ Bank
Connect Options



84k+ Bank
Accounts



41 Million+
Unique Payees



\$2.7 Trillion
Annual Volume



99.95%
System Uptime



100%
Native Cloud



Cash Flow, Liquidity & Payments.

LEARN MORE AT [TISPAYMENTS.COM](https://tispayments.com) >>

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