



Tail End Spend Services

Tail end spend is typically defined as the unmanaged, noncore purchases that, due to the high number of suppliers, lack strategic sourcing resources dedicated to managing them. As a result, tail end spend is a highly inefficient process, accounting for up to 20% in wasteful spend. Today, corporate procurement leaders are challenged to control their tail end spend while generating cost savings.

The challenges regarding controlling tail end spend include:

- Poor data visibility
- Fragmented buying
- Seemingly low potential for savings
- Lack of effective controls
- Little market coverage
- Locally focused buy/requirement
- Tactical work versus strategic

In order to improve tail end spend management and positively impact corporate profitability, Corbus utilizes internally developed best practices acquired and perfected by our spend management experts, and innovative solutions which help our clients control maverick spending.

Tail End Spend Management Services

Corbus Tail End Management Landscapes

Tactical Buying + Site Procurement + Strategic Buying + Corporate Purchase + Third Parties Purchase + Onshore, Offshore & Hybrid Delivery Model

Corbus' Tail End Spend Management methodology can be custom configured to each company's existing processes, organization, and technology infrastructure. It is designed to rapidly deliver sustainable positive cash flow which positively impacts the company's bottom line.

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Benefits

As a result of utilizing our Tail End Spend Management Services, our clients optimize their supply chain and realize:

- ✓ A cost savings of 10 to 15% during year 1 and 5% annually for each subsequent year
- ✓ Up to 70% productivity improvement through implementation of best practices, workflow, and automation technology
- ✓ Improvements in metrics, benchmarking, forecast accuracy, and compliance
- ✓ Vendor base rationalization – at least 50% reduction in supplier base
- ✓ Data analytics and research support

Differentiators

- ✓ A proven model, currently managing over \$15B in spend annually
- ✓ A Tail End Spend Leadership Team with an average of 12 years of experience
- ✓ Innovative technology and data analytics solutions
- ✓ Strong relationships with a global network of qualified and competitive suppliers
- ✓ Global operations with strong presence in the growth markets of Asia, the Middle East, Africa, and Central America



Our methodology is comprised of three stages:

Stage 1: Spend Analytics

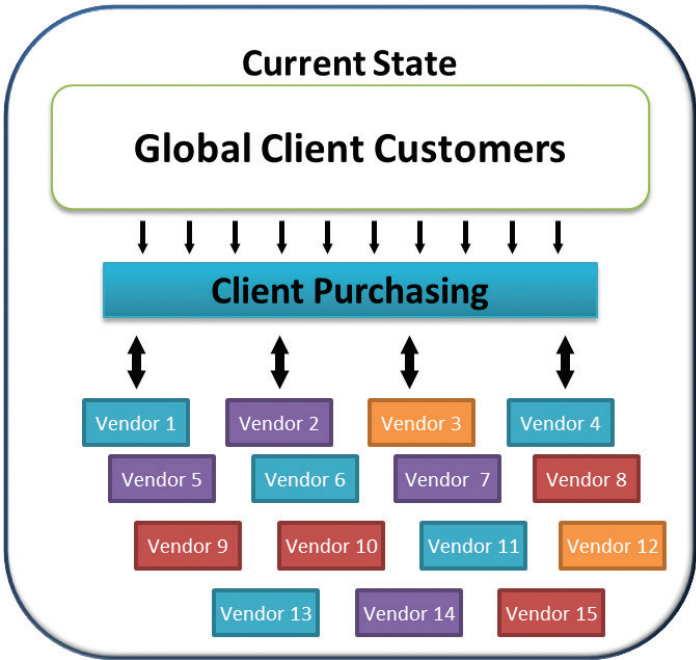
Spend data is collected, collated, and enriched. The enriched data is then analyzed at a category level where opportunities are identified for cost/process improvements.

Stage 2: Category Sourcing

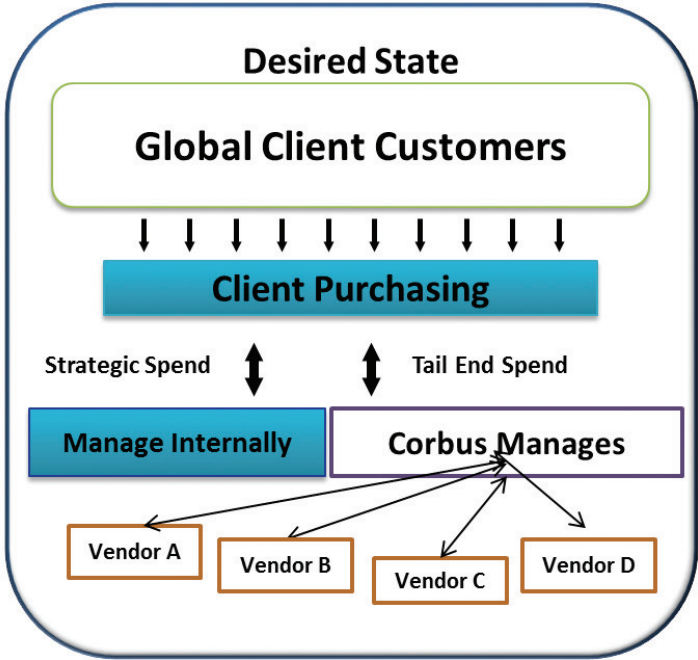
Based on the outcome of the spend analytics, the opportunities are prioritized and a "category" based sourcing strategy is developed and implemented.

Stage 3: Category Management

Our continuous improvement programs focus on simplification of processes and further development of supplier relationships via a partnership approach.



- Client Global Purchasing manages all transactions regardless of spend size/volume



- Corbus manages all tail end spend transactions below spend threshold value