

Drive to Digital Treasury

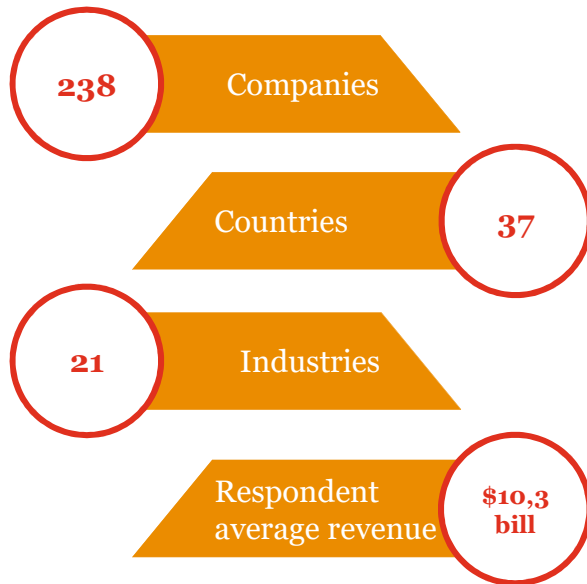
PwC Global Treasury Survey 2018 – 2020

September 18, 2019



About the survey

Companies' Sample



PwC Corporate Treasury Solutions



Notes:

- Graphs displaying rankings of multiple items are based on exponential scoring and receive a weighted score.
- Not all respondents answered all questions.
- Not all figures add up to 100%, as a result of rounding percentages.

Theme overviews

WHO



WORKFORCE OF THE FUTURE

Treasurers with strategic and digital skills are considered a key resource of the corporate strategy

WHAT



BALANCE SHEET MANAGEMENT

Improve balance sheet and capital management as ways to add value



CASH & BANKING

Long-term financing and strong bank relationships are key element in a firm



RISKS

Protect data to mitigate risks. Partner with the broader business

HOW



DIGITAL ADOPTION

There is no sustainable future without embracing a digital agenda



Who - Workforce of the future

Workforce of the future



Strategic thinking

Broader range of activities, beyond daily management of cash and financial risk



Business partnering capabilities

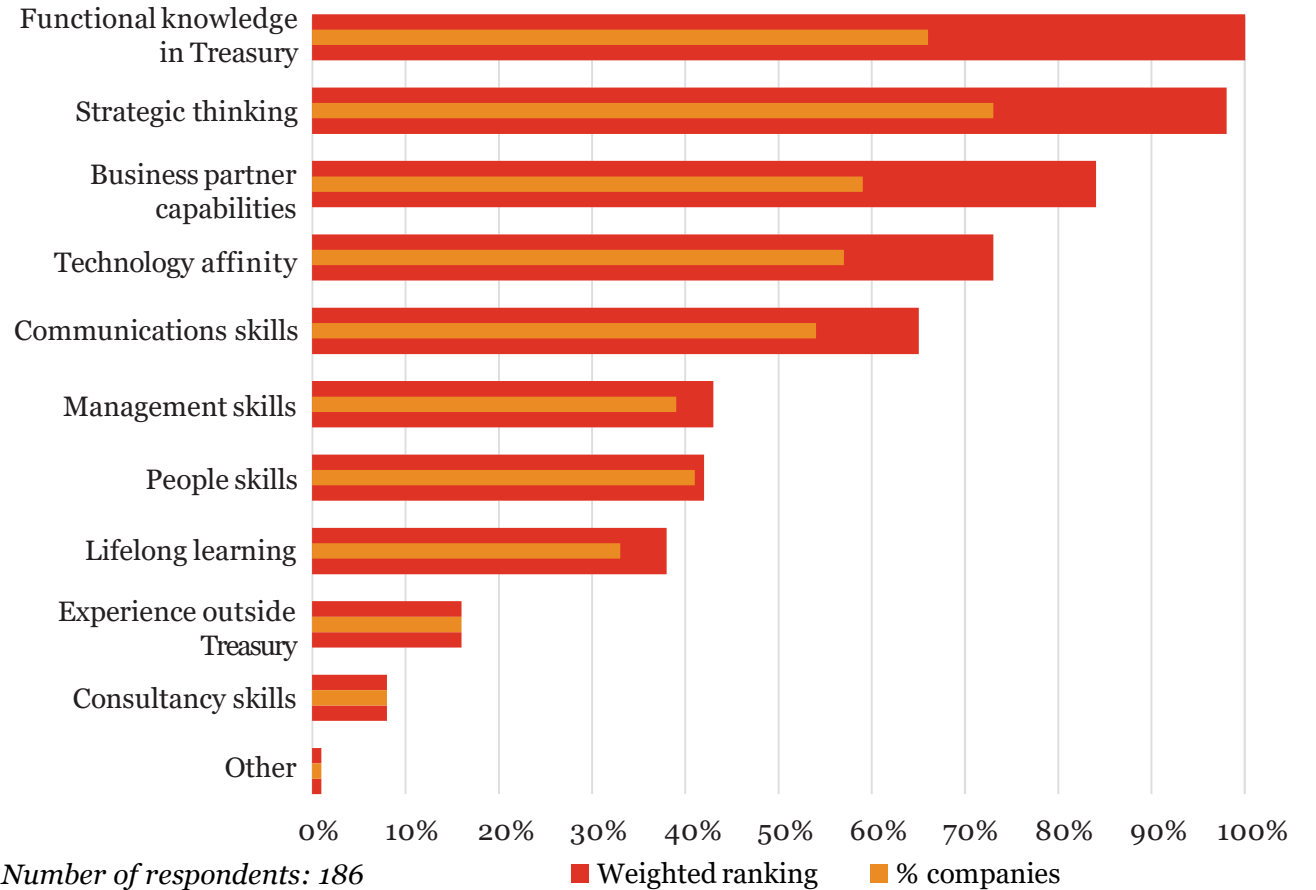
Cross-functional relationships to remain aligned and provide clear business insights to leadership

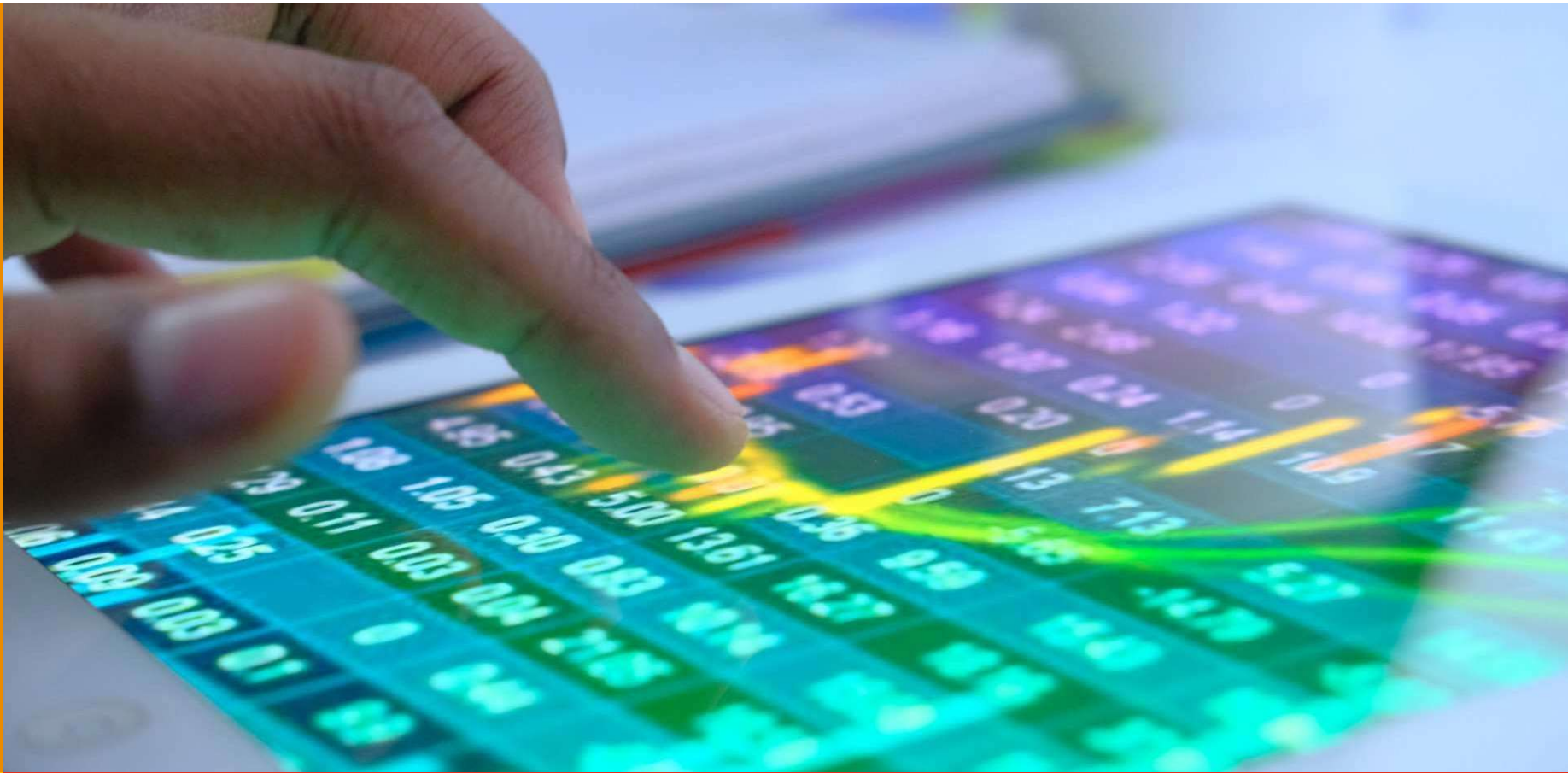


Technological affinity

Embrace digital future to support business

What skills and competencies are important for the treasurer of the future?





What - Balance sheet management, Cash & Banking, Risks

Balance Sheet Management



Recommendation

Enhanced Capital Management

Heightened focus on (risk-adjusted) capital allocation and budgeting

Long-term financial flexibility

Ensure financial flexibility to optimize capital structure and lower the cost of capital

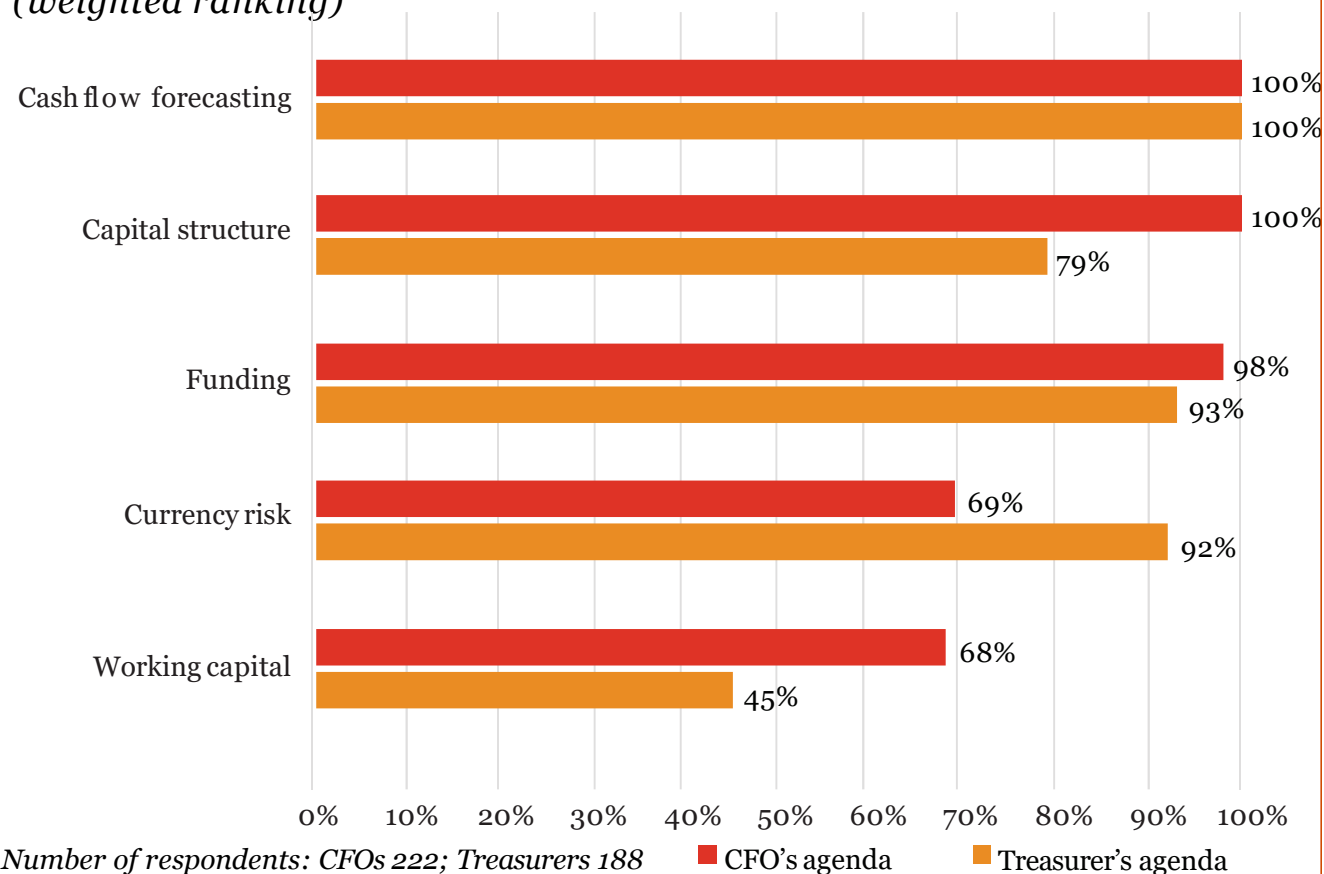
Cash forecasting

Enhance pooling opportunities, engage in robust cash forecasting to better understand the total liquidity picture and improve planning

Working Capital Management

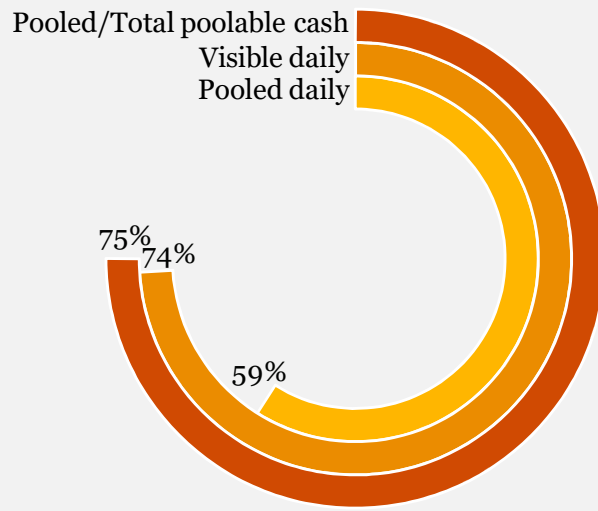
Look for areas where cash benefits can be derived

Top priorities on the CFO's agenda vs. the treasurer's agenda (weighted ranking)



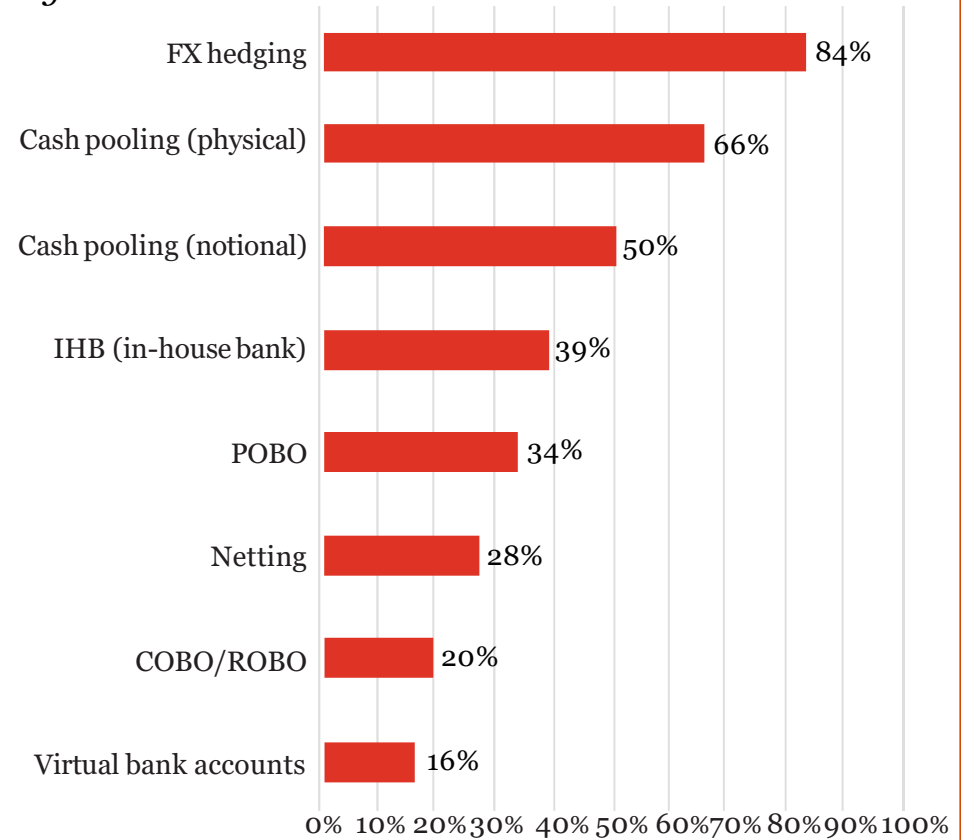
Cash and Banking

What percent of cash is...



Number of respondents: 172

What services are provided by Treasury to your organization?



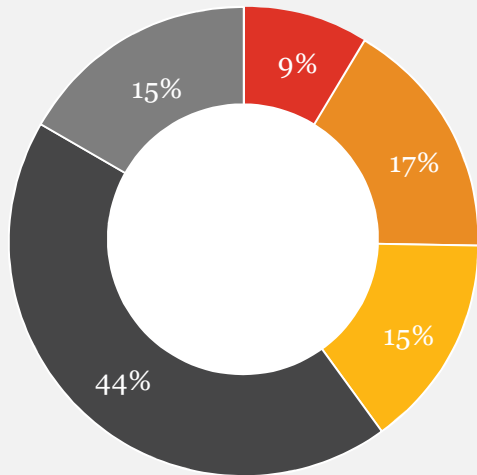
Number of respondents: 200

Risks



Cyber Risk

How often is your organization affected by payment fraud attempts?



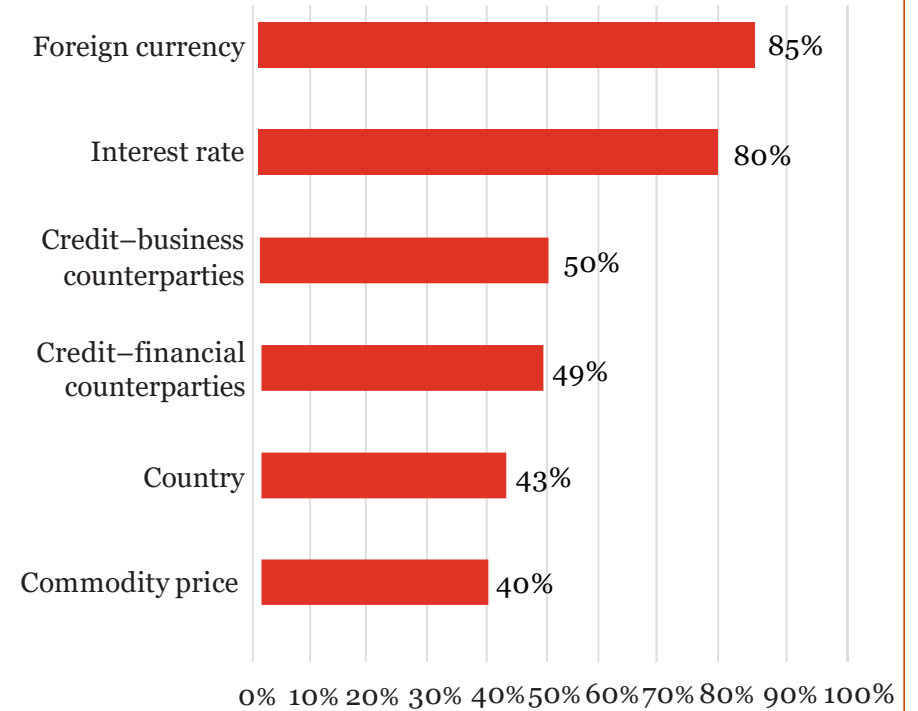
■ Daily ■ Weekly ■ Monthly ■ A few times per year ■ Not at all

Number of respondents: 182



Financial Risks

Which risks are material and monitored by your organization?



Number of respondents: 194



How - Digital adoption

Digital adoption (1/2)



Artificial intelligence

Intelligence exhibited by machines that mimics cognitive functions to maximize a certain goal



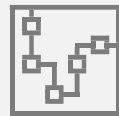
Data analytics

Aggregation and scrubbing of data across multiple sources



Robotic process automation

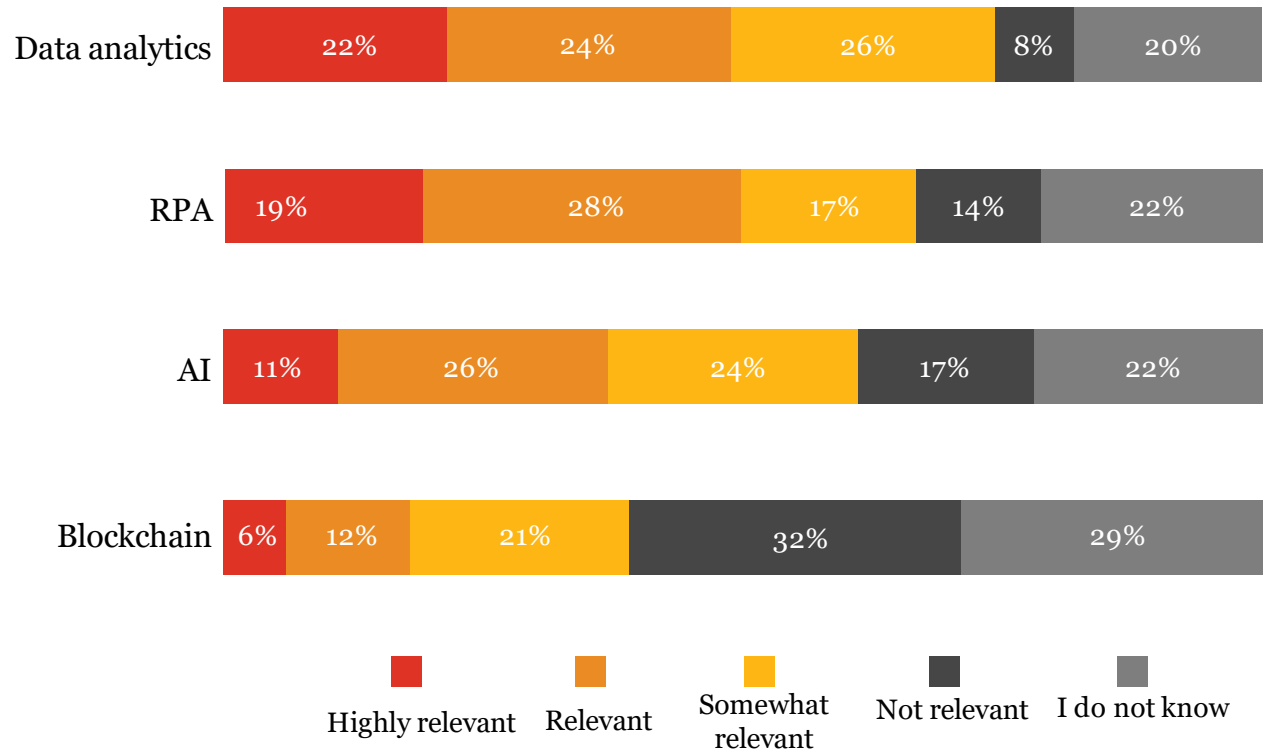
Deployment of a digital workforce by creating a virtual human being to manipulate applications for standard and repeatable tasks



Blockchain/DLT

Decentralised ledger of all transactions in a network aimed to increase security, reduce cost and transaction time

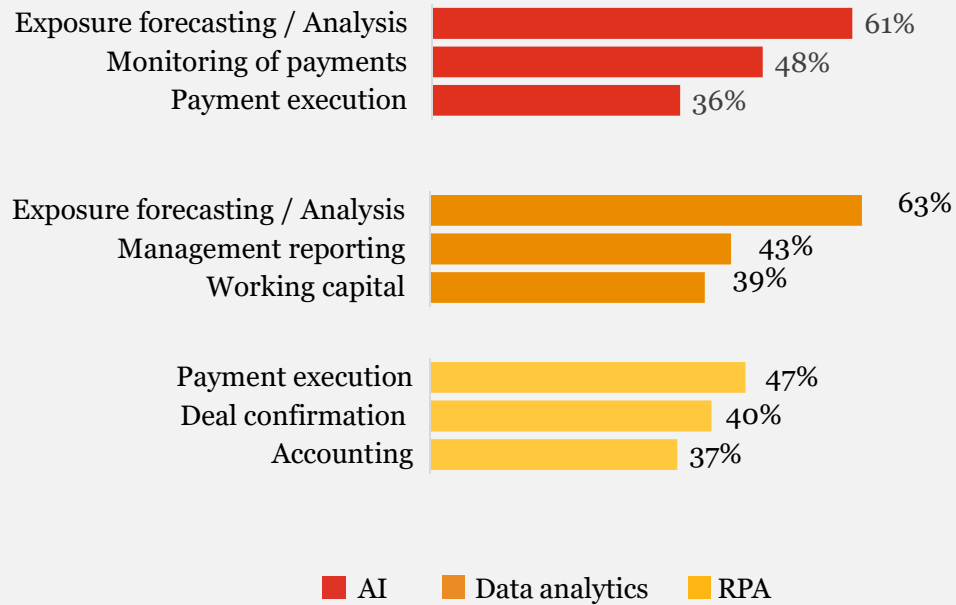
How relevant do you believe the following technologies are for Treasury in the next 2 to 3 years?



Number of respondents: 188

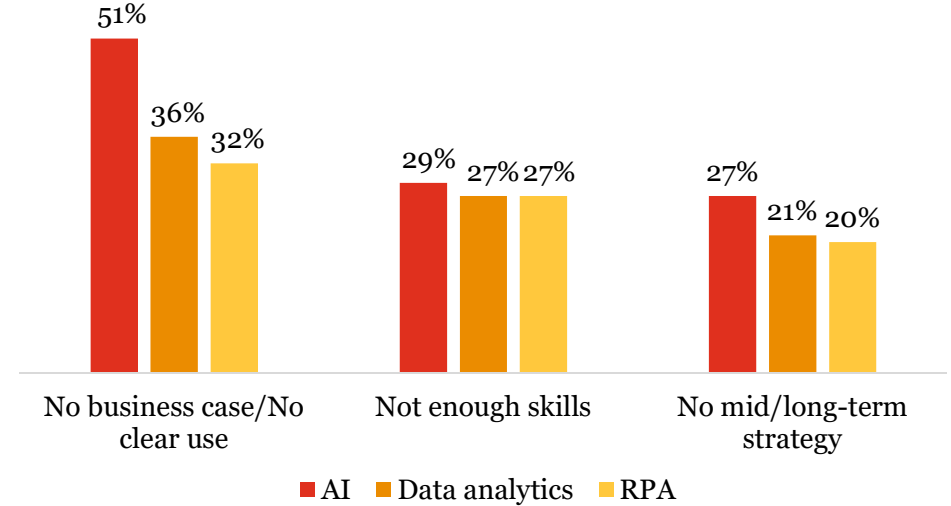
Digital adoption (2/2)

What areas of Treasury are most relevant for each technology?




Number of respondents: 183


What are the roadblocks to implement these technologies in Treasury?





Number of respondents: 175


Conclusions – Call to actions

-  Be sure to consider digital capabilities in making hiring decisions

-  Look for opportunities to improve balance sheet and overall capital management as ways to add value:
 - Support working capital initiatives and improve long-term financial flexibility
 - Deliver an optimal capital structure and drive capital allocation and budgeting of financial resources

-  Enhance cybersecurity defences related to payment fraud in the organizations, including prevention and recovery

-  Apply emerging technologies to enhance forecasting accuracy by recognizing trend and identifying risk exposures

-  Embrace a digital agenda:
 - Identify the target areas for improvement in terms of efficiency, cost savings, and availability of data insights for reporting
 - Identify technology solutions which can be deployed
 - Build a digital vision – how do you want to make Treasury decisions in one or two years' time?
 - Develop a roadmap for implementation that the organization can follow
 - Partner with IT teams and other internal/external stakeholder to quantify the business case
 - Start with areas which can deliver high value with shorter implementation time, including exploring the use of Fintech solutions

Thank you

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