Deloitte.

Powering Lights Out Finance™ with the

Alliance

Lights Out Finance Operations : Leverage Native AI Powered by HighRadius

MAKING AN
IMPACT THAT
MATTERS
since 1845

Lights Out Finance™
Introduction

Meet your Speakers

Martha Fung

Managing Director

Deloitte.

What exactly do you mean by Lights Out Finance™ ?

Why Lights Out Finance - there is an imperative for leaders to embrace establishing a digitally enabled organization; the pace of business change, workforce demands, and continued technical innovation all influence the need to evolve

Lights On (Unrefined)

- Low automation levels
- No AI or predictive analytical presence
- Poor and limited reporting
- Expensive IT landscape with fragmented tools

Dim (Progressing)

- Robotic Process Automation (RPA)
- Artificial Intelligence/Predictive Analytics
- Process Standardization
- Cloud Data Lakes/In-memory computing

Lights Out (Autonomous Finance)

- End to end automation of transactional processes
- Improved Efficiency and Effectiveness of the function
- Additional capacity for value added analysis and business partnering
- Integration with existing ERP systems

Lights Out Finance Framework™

Sub-Topics & Definitions	Strategy		People		Process		Data/Technology			
	CLIENT VISION — Identifying the client transformation goals & roadmap.	TARGET TECH — Identifying the technology strategies to support E2E automation.	TALENT POOL — Defining required work, mapping skills, and aligning talent.	OP MODEL — Allocating required work between tech/robots, in-house, and outsourced.	UPSTREAM/DOWNSTREAM — Aligning processes across business units interacting with Finance.	FINANCE — Aligning core finance processes (O2C, S2P, CC&R, and FP&A)	CORE — Aligning target ERPs and key systems.	ADD ON — Deploying non-core systems essential to ops.	EDGE — Adopting Auto., ML, & AI tools to advance ops	DATA — Driving real-time data quality and consolidation to support E2E automation.

How does Lights Out Finance™ enable multi-functional shared services organizations?

Lights Out Finance™ concepts enable multi-function SSC through digital transformation and building autonomous capabilities

Build

As the client's teams focus on delivery of priorities based on their capacity…

… Deloitte activates our Talent Acquisition & Deployment engine to prepare to surge.

Operate

Deloitte practitioners deploy to augment client teams and accelerate delivery…

… while Deloitte continues sourcing, onboarding, and deploying per the client's demand forecast.

Transform and Transfer

Within defined periods, BOTT team will deliver efficiencies through transformation and initiate transfer to become client employees.

Should the client request ongoing support, Deloitte can draw on our existing bench to provide supplementary resourcing.

Lights Out Finance™ Benefits

Improved Operating Margins

- Reduce transactional FTEs to lower labor costs
- Create leaner shared services organizations to reallocate budget to other operations

Increased Process Efficiency

- Automate and standardize key activities with technology enablers to improve productivity and key performance indices

Better Customer Satisfaction

- Increase customer satisfaction through improved quality of service from more efficient processes

Enhanced Scalability

- Expand services and capabilities without increasing workforce to easily re-locate shared services to high quality locations or back within organization

"Powering up" key enablers

"Powering up" key enablers will allow you to turn down the lights across finance operations. How far you go is up to you and your organization. In the world of Dynamic Finance, going Lights Out is an imperative—and so are the human guardrails and digital watchdogs that send up the right signals when the machines aren't working as they should. It's the right combination of humans and machines that allows Finance to go Lights Out.

Key enablers	Get started	Progress	Lights Out
Standardized processes	▮▮▮	▮▮▮▮	▮▮▮▮
Cloud-based ERP through a single platform	▮	▮▮	▮▮▮
Automated and purpose-built technologies	▮▮▮	▮▮▮▮	▮▮▮▮
Self-corrective tasks	▮	▮	▮▮
Advanced analytics and self-service capabilities	▮	▮▮	▮▮▮
Standardized data	▮▮	▮▮▮	▮▮▮▮
Flexible service delivery models	▮▮▮	▮▮▮▮	▮▮▮▮
Systemically configured and automated controls framework	▮	▮▮	▮▮▮

Enabler Maturity Legend

BASIC —————→ INTERMEDIATE ————→ ADVANCED

▮ ▮▮ ▮▮▮ ▮▮▮▮
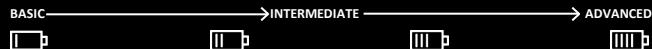
Lights Out Finance^{TM} Operations:

Leverage Native AI
Powered by HighRadius

Meet your Speakers

Rich Pumphret
Managing Director

Deloitte.

Nathan Rader
Senior Vice President, Global

highradius

Connor Schmeling
Director, Digital Transformation

highradius

slido

Within your organization, which processes within I2C are you targeting for improvement?

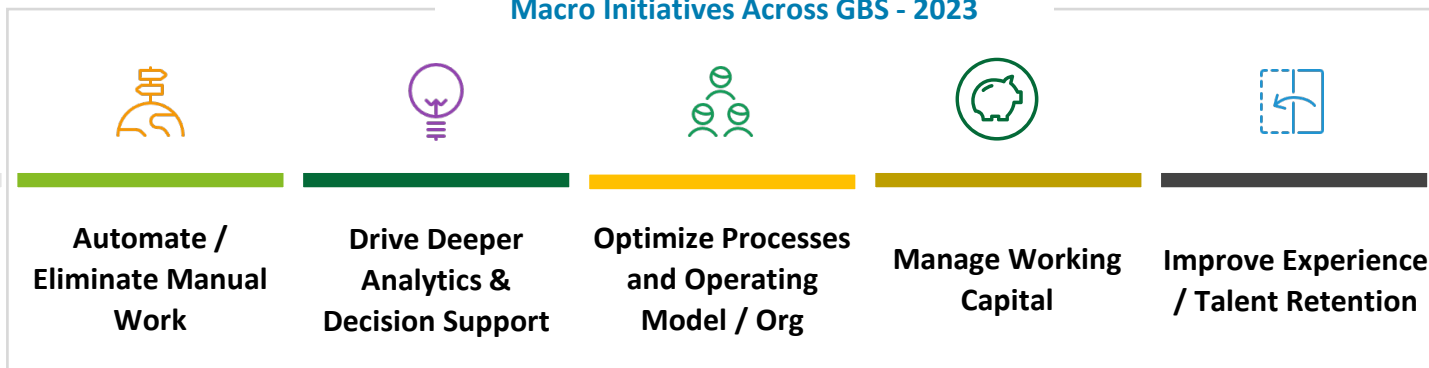ⓘ Start presenting to display the poll results on this slide.

Key Priorities for GBS

Maximizing value to business partners, improving working capital, and balancing overall cost to serve

Macro Initiatives Across GBS - 2023

Automate / Eliminate Manual Work	Drive Deeper Analytics & Decision Support	Optimize Processes and Operating Model / Org	Manage Working Capital	Improve Experience / Talent Retention

Key Considerations

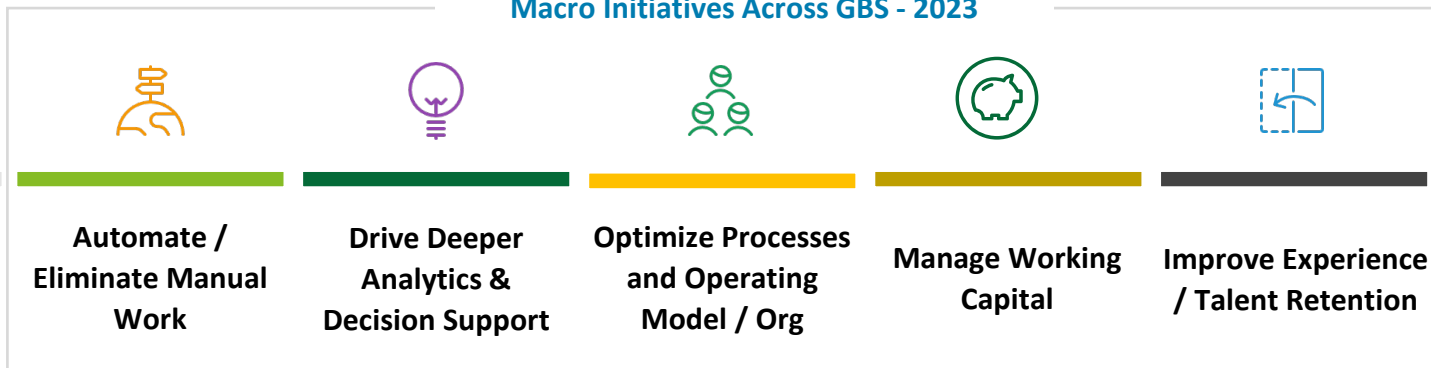| Competing budgets & prioritizing investments in process and technologies	Ensuring the right talent is in place to accommodate migration to analytics	Globalization vs. local controls, captive vs. BPO	Managing upstream and downstream processes

Executing Against All Priorities

Success often means a focus on end-to-end processes and enabling technologies

Macro Initiatives Across GBS - 2023

Automate / Eliminate Manual Work	Drive Deeper Analytics & Decision Support	Optimize Processes and Operating Model / Org	Manage Working Capital	Improve Experience / Talent Retention

Success Drivers

End-to-End System Integrations	Advanced Capabilities / Machine Learning	Ability to Accommodate Multiple / Large Data Sets	Ability to Integrate Global Teams / Op Models	Measurable, Shorter Term, ROI	Speed to Value	Ability to Scale

Enabling technology that can **learn and adapt, has a clear ROI and that scales as GBS transactions grow,** is key to success

slido

What percent of your I2C process is currently manual?

ⓘ Start presenting to display the poll results on this slide.

HighRadius Overview

Autonomous Receivables

| Credit | EIPP | Cash App | Deductions | Collections |

Autonomous Treasury

Cash Forecasting · Cash Management

Autonomous Accounting

Anomaly Management · Financial Close · Account Reconciliation

3500+
HighRadians

7 countries
US, UK, France, Germany, Netherlands, India, Poland

$3.1 Billion

$3.1Bn Valuation
$450M Raised

$7.7 Trillion

Transactions annually
across 90+ countries

Gartner I2C MQ 2022

CHALLENGERS · LEADERS

HighRadius
FIS
Sidetade
Esker
Serala
Billtrust
Emagia
Versapay
Cforia
Order2Cash

NICHE PLAYERS · VISIONARIES

IDC Report 2021

IDC
ANALYZE THE FUTURE

Leaders
HighRadius
FIS
Dun & Bradstreet
Billtrust
Emagia
Serrala
Sidetrade
Cforia

Major Players

Leader in Order to Cash Automation

14

Building Blocks of

autonomous
F I N A N C E

Humans + Machines Interaction
Experience

AI & Machine Learning Algorithms
Intelligence

Domain-Specific
Big Data

The HighRadius Integrated Value Proposition

Multi value levers business case

Integrated Value Framework

Minimize Revenue Leakage

+

Reduce The Cost to Serve

+

Optimize Working Capital

+

Manage Risk

- Lower under-tolerance write-off thresholds
- Increase Net Recovery of Invalid Claims
- Improve billing accuracy
- Predict Blocked Orders

- Create headcount capacity and scale through automation
- Lower payments processing costs
- Reduce cost per transaction
- Reduce cycle times

- Reduce Past Due A/R through machine learning
- Minimize write-offs through automated dunning / deductions mgmt.
- Increase speed of payment collection

- Increase liquidity through better credit management
- Manage the risk / revenue matrix
- Increase compliance / monitoring

slido

Which of the above mentioned outcomes is most valuable to you?

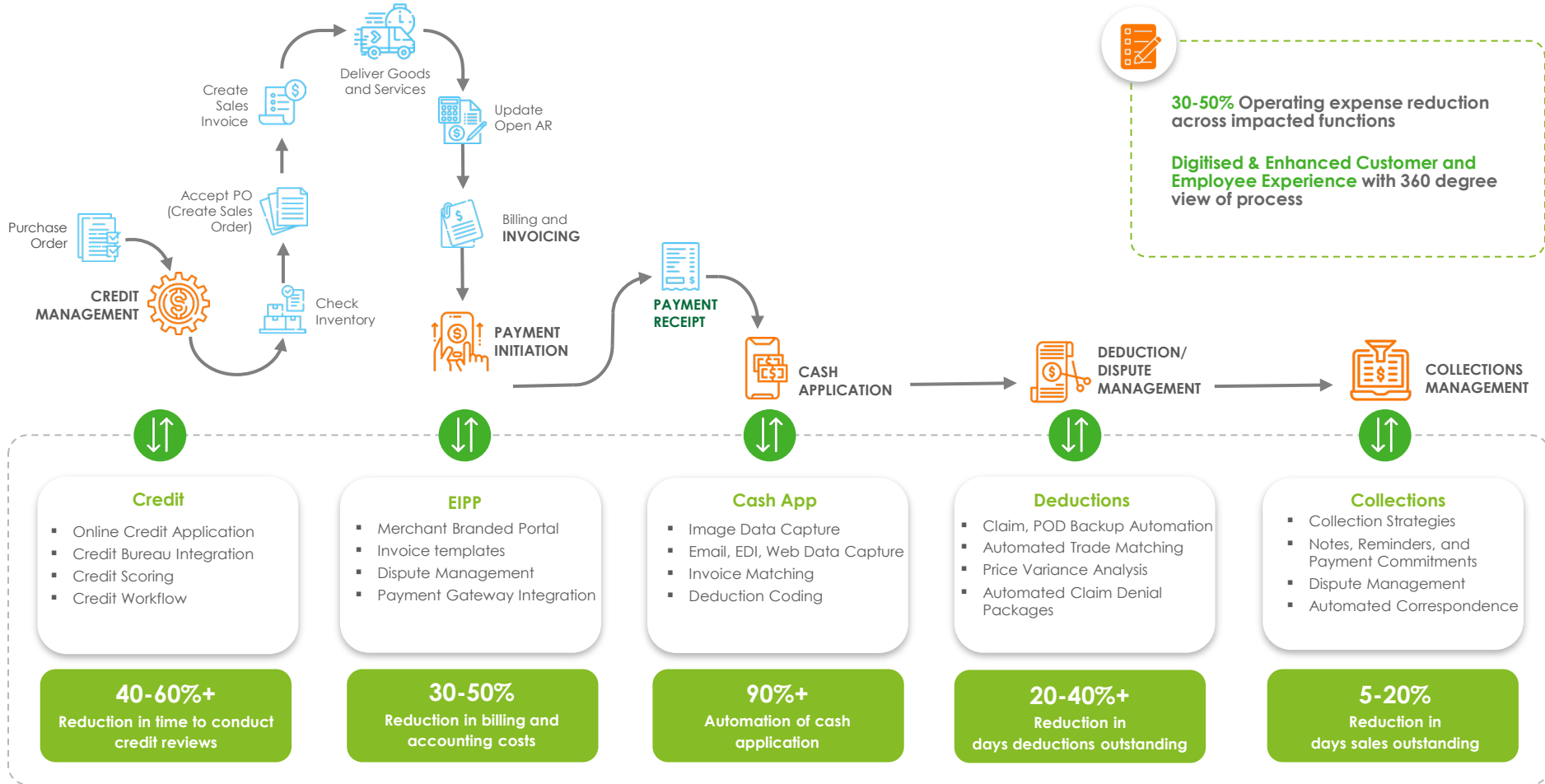ⓘ Start presenting to display the poll results on this slide.

Order to Cash Example:
A Peek Under the Hood

Delivering Value Across The End-to-End Process

Connor

Purchase Order → **CREDIT MANAGEMENT**

Accept PO (Create Sales Order) → Check Inventory → Create Sales Invoice → Deliver Goods and Services → Update Open AR → Billing and **INVOICING** → **PAYMENT INITIATION** → **PAYMENT RECEIPT** → **CASH APPLICATION** → **DEDUCTION/ DISPUTE MANAGEMENT** → **COLLECTIONS MANAGEMENT**

30-50% Operating expense reduction across impacted functions

Digitised & Enhanced Customer and Employee Experience with 360 degree view of process

Credit
- Online Credit Application
- Credit Bureau Integration
- Credit Scoring
- Credit Workflow

EIPP
- Merchant Branded Portal
- Invoice templates
- Dispute Management
- Payment Gateway Integration

Cash App
- Image Data Capture
- Email, EDI, Web Data Capture
- Invoice Matching
- Deduction Coding

Deductions
- Claim, POD Backup Automation
- Automated Trade Matching
- Price Variance Analysis
- Automated Claim Denial Packages

Collections
- Collection Strategies
- Notes, Reminders, and Payment Commitments
- Dispute Management
- Automated Correspondence

40-60%+
Reduction in time to conduct credit reviews

30-50%
Reduction in billing and accounting costs

90%+
Automation of cash application

20-40%+
Reduction in days deductions outstanding

5-20%
Reduction in days sales outstanding

Humans + Machines and Their Role in Finance

Connor

HighRadius Autonomous Finance brings Human + Machine use cases to life

Self Learning Cash App	Intelligent Collections	Cash Forecasting
Predict Invoice Match	Dynamically Segment Customers	AI Based Cash Forecasts
Automate Exception Handling	Prioritize and Suggest Actions using AI + NLP	Variance Analysis
90%+ Automation of cash application	**5-20%+** Reduction in days sales outstanding	**Up to 95%+** Cash Forecasting Accuracy

Achieving Speed to Value with Cash Application

🎙️ **Connor**

Checks
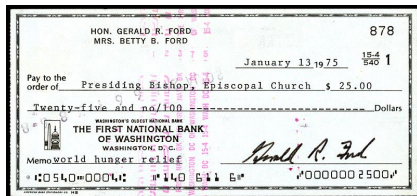
15% of payments have no remittances!

NON-NEGOTIABLE

Electronic

Payments

ACH   WIRE TRANSFER

Remittance

E-MAIL   PORTAL   EDI

⊙ highradius

AI-powered Cash Application

90%+

Automation of Cash Application

100%

Reduction in Bank Key-In Fees

Transforming **CASH APP** with Autonomous Finance

Connor

Humans + Machines Interaction
Experience

Enhanced Exception Management
Image Quick Reference | Recommendations

AI & Machine Learning Algorithms
Intelligence

Remittance Prediction
using Random Forest

Auto Suggest Reference Numbers
using Random Forest

Domain-Specific
Big Data

Remittance, Payment, Open & Closed A/R
Check, Email, Bank Files, Lockbox, ERP Extract

Transforming **COLLECTIONS** with Autonomous Finance

Connor

Humans + Machines Interaction
Experience

Prioritized Worklist
Whom to contact?

Recommended Action
How to contact:
Bulk Email, Personalized Email, Call

AI & Machine Learning Algorithms
Intelligence

Payment Date Prediction using
Random Forest

Customer Segmentation using
K-means Clustering

Domain-Specific
Big Data

100,000s of Customer Datapoints
Payment History | Dispute History | P2P History

Future of **TREASURY** with Autonomous Finance

Connor

Experience Humans + Machines Interaction	**30, 60, 90 Day** **Cash Forecasting** with variance analysis	**Investment &** **Hedging Options** with risk assessment
Intelligence AI & Machine Learning Algorithms	**Cash Forecasting** using Random Forest & Time Series	**Forex Risk Exposure** using Stacking with Regression
Big Data Domain-Specific	**Historical Inflows & Outflows** AR | AP | Payroll | T&E	**Planned Cash Flows** **3rd-Party Data** POs | SOs FX Risk, Interest Rates

Deloitte.