Irish Association of Corporate Treasurers

IACT
TREASURY REVIEW

The 2023 Annual Treasury Management Conference

Irish Association of Corporate Treasurers

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IACT**2023**

Message from the President

Aimee Cullen
IACT President 2023

On behalf of the IACT Committee, I would like to thank all of you who joined our annual conference, held on 14-15 November, at The Convention Centre Dublin. We welcomed record numbers this year and it was another sell-out event that brought together corporate delegates, FIs and service providers.

Irish Association *of* Corporate Treasurers

Education is a core IACT mandate, and this year we held our second IACT Academy on 14 November where a group newer to treasury joined modules on treasury tech, risk and debt issuance. This was followed by pre-event networking, which gave the attendees the opportunity to get to know each other, as well as some of the exhibitors and experienced corporate treasurers. In 2023, the IACT Committee was focused on growing the links to Irish universities to bring awareness of corporate treasury as a career. As a result, we took the opportunity to invite four students to join the Academy and attend this year's conference. I was delighted to meet them, hear their perspective on the event, and witness such a high level of engagement with delegates, exhibitors, and speakers.

In opening the conference, I noted that as geopolitical unrest continues, inflation and interest rates are still topical and we deal with the fallout of banking failures, resilience is a core competency for treasurers in managing the various challenges of the day job. We also have so many new technologies presented to us, which we need to evaluate. Our conference plenary and breakout sessions addressed various aspects of those challenges and opportunities.

Our keynote speaker, **David Tilson**, Head of Debt Capital Markets, Cantor Fitzgerald, delved deeper into the current macroeconomic landscape and explained how this translated into a range of challenges for corporate treasury.

Our Women in Treasury panel discussed 'Taking the Challenge', which built on the theme of the opportunity offered by embracing change and not being afraid to fail. In this session we heard from three industry leaders who shared their stories on pivoting and growing their careers by taking what could have been perceived as a risk. This included moves from audit and law into treasury, relocating to another country, and, after 25 years with a company, taking the leap to join another business and build out a new corporate treasury function.

In one of our four breakouts, **John Neary**, Head of Treasury, Dell Bank International, shared his experience of issuing debt to fund Dell Bank, being one of the first to issue under Irish law, and how he expanded on the initial note programme to stand up a more flexible medium-term note (MTN) programme. Examples of building on experiences and adapting how we work continued through the day. In our first plenary session led by J.P. Morgan, we heard from an expert panel on how they adapted to the various challenges including Covid-19, economic conditions, and the urgent need to attract more treasury talent.

Members of another panel discussed 'Just-in-Time Treasury' and how they are embracing technology and adapting their treasury workflows, and in some cases, how they are not doing so. I believe many delegates were happy to learn that they don't need to adopt every single new way of working or technology.

Gulru Atak Gundem, Head of Europe Transaction Banking, Barclays, and Anna Gozdalik-Coakley, Financial Services Data and Analytics Partner, EY Ireland, walked the audience through their use cases for AI, which made it clear treasurers will have to evolve their skill sets and expand their toolbox to fully embrace robotics and AI. The following panel took up the theme of making sense of the various technologies. In that session, our panel members shared their approach to evaluating and implementing evolving technologies. Their shared experiences will help us rethink how we deliver the corporate treasury function.

Josef Pospisil, Deputy Head EMEA Corporates, Fitch Ratings also reflected on current macroeconomic and geopolitical trends, with Emer Murnane, Group Treasurer, Smurfit Kappa, joining the discussion on how this translates into refinancing risk.

Before we heard from former professional footballer and now motivational and mental fitness expert **Richie Sadlier**, three experienced treasurers shared details of their career paths and demonstrated the versatility of a career within the profession. It's marvellous to see so many boards recognising the benefit of adding a treasurer to their panels given that resilience and risk mitigation are inherent competencies for an experienced treasurer.

Feedback on the day was extremely positive, with delegates taking the opportunity to share their experiences, ask questions of peers, and catch up with friends. Treasury is thriving in Ireland, and it was great to see so many of the multinational corporates, indigenous and international companies, and diverse industries represented.

I will close by giving a huge vote of thanks to the members of our conference subcommittee, led by **John James Dunne**, who were relentless in ensuring we covered the most relevant topics and had secured the best speakers. Thanks also to Summit Focus and the Treasury Management International team for co-ordinating the many moving parts to deliver on the vision we have for our conference.

We are grateful, too, to our sponsors, many of whom are also patrons, and to the speakers for investing their time and sharing their thoughts with us.

Enjoy this conference overview and I look forward to seeing you at our 2024 event.

The Evolving Role of Treasury in Challenging Times

John Murray
Executive Director,
J.P. Morgan

Tahreem Kampton
Global Head of
Payments Advisory,
J.P. Morgan

Daniel Duriancik
Senior Director,
Global Head of Treasury
Operations, 3M

Aga Nalaskowska
Head of Treasury EMEA,
Parexel

The pressure on treasurers to adapt, add value, address challenges, and align with fast evolving business landscapes has never been greater. A panel of experts discussed how corporate treasuries are responding to the need for transformation – covering everything from ESG and FX risk management to artificial intelligence, and much more besides.

The past few years have been extraordinarily difficult for corporate treasurers with the fracturing geopolitical landscape, ongoing supply chain disruption, and a testing macro environment among the many unprecedented challenges facing their operations.

At the November 2023 IACT Annual Conference in Dublin, John Murray, Executive Director, J.P. Morgan, acting as expert moderator for the panel discussion, highlighted these issues and their impact on corporate treasury operations, drawing insights from three industry experts.

For former corporate treasurer turned banker, Tahreem Kampton, Global Head of Payments Advisory, J.P. Morgan, the evolution of corporate treasuries has been one of the major themes of recent years, with treasurers needing to engage much more with business risks beyond traditional treasury functions.

Kampton said: "The changed operating environment has actually put treasuries in an amazing position to not only show their expertise but add tangible value to their organisations' operations more broadly. For instance, treasurers can add value by considering different ways to manage FX risks, such as dollarising product price lists instead of solely relying on hedging instruments."

Kampton also highlighted the growing importance of treasury in an environment where organisations are changing their business models in response to the multiple headwinds. Reflecting on his time as treasurer at Microsoft, he pointed to how the IT giant evolved from a focus on software to hardware as a case in point.

"It was one of biggest changes for Microsoft in its history," he explained. "We went from solely focusing on software to needing to manage an enormous hardware infrastructure as a result of the data center build out. That entailed massive capital investment projects. That alone required a whole different skillset compared with what was required for the business's traditional software model. And, of course, treasurers can help with managing and actioning such large capital injections, capital inflows, outflows, and minimising FX impact."

The strategic treasury

Fellow panellist Daniel Duriancik, Senior Director, Global Head of Treasury Operations, 3M, echoed Kampton, pointing to his own organisation's success with dollarising price lists.

He added that the recent years of turmoil had led to large multinationals such as 3M being more focused on evaluating business viability in different countries and making proactive decisions based on capital management and business sustainability. "Armed with their finance and economic perspectives, treasurers can make valuable contributions to their organisations' strategic business decisions and the weighing of presence in specific countries and territories," he said.

Meanwhile, Aga Nalaskowska, Head of Treasury EMEA, Parexel, a clinical research services provider, said there was no doubt that her team's role had become more strategic over recent years and is now more focused on adding value. To illustrate Parexel's evolution on this front, Nalaskowska cited the success her team has had in leveraged securitisation of AR assets to optimise financing. That, she said, is resulting in substantial interest savings – around £20m over the current year – and the positioning of treasury "as a significant and capable profit centre".

Getting to grips with ESG

Alongside the challenges of the macro environment, geopolitical tensions, and market volatility, organisations and their treasurers have also had their work cut out implementing ESG. For Nalaskowska, ESG is still "very much in evolution", not just for businesses but also the universe of green instruments. "We, like many companies, have had great success with green debt issuance, but this type of transaction happens typically once in a couple of years. So it is important to look at other options, how treasury can bring additional solutions to the table, and keep the momentum going."

Parexel is currently exploring green investments, which entail some of the corporate's KPIs being linked with treasury KPIs. That could enable the company to invest money for higher premium, which could be beneficial in a higher interest rate environment. Over and above such solutions though, Nalaskowska is most concerned about uncertainty caused by worries over greenwashing, the absence of a standardised ESG framework, and lack of consistency across ESG ratings providers.

For Kampton, one of the main ESG challenges for any corporate is ascertaining its carbon footprint accurately. He said: "Many companies are still trying to figure out how to calculate Scope 1, 2, and 3 emissions. I'm not sure how much people actually know or understand about initiatives such as the [2015] Paris Agreement's goals. Doing so is important because that understanding forms the foundation of how they think about their sustainability policy and culture and what they would like to achieve. Many tools still need to be developed for collecting, managing, analysing ESG data."

Removing silos

The growing competition among corporates for treasury talent and the impact it is having on teams globally was another keenly discussed topic at IACT. Duriancik said that, faced with recruitment challenges, treasury leaders now have to think much harder about the roles they want to bring in and build upon.

"What I have seen work over the past few years, and what really helps to relieve the pressure on recruitment, is moving away from having people stuck in traditional silos – front office, back office, mid office, and so on – to exposing them to multiple areas. It helps us to do more with fewer people. It is also beneficial for the career growth of team members. Having a regime like that though, of course, means finding the kind of talent open to working in that type of environment."

Nalaskowska also believes more creative, flexible treasury teams can help amid the fierce competition for talent. Indeed, she noted that Parexel is moving away from the traditional treasury office set-up to a more fluid working environment. "We have a very lean team that is decentralised across our operations in Dublin, Shanghai, and the US, supported by technology and outsourcing to enhance strategic focus and efficiency. It's certainly all helping to free up time for us to provide more strategic support for the organisation.

Leveraging technology

Technology has had a major impact on treasury operations and thinking in recent years, and Kampton believes its influence will only be felt more in the future. While TMS strategies are always important, Kampton highlighted that what is now also vital is the overall data and treasury transformation strategy.

"Many organisations are spending time on developing a data lake strategy, a kind of centralised repository designed to store, process, and secure large amounts of structured, semi-structured, and unstructured data. The idea is, irrespective of whether a company has a TMS or a best-of-breed approach, to take a lot of that information, put it into one centralised location, and then build services on top of that. These services can include elements like data visualisation tools, leveraging [Microsoft] Power BI or Tableau for business analytics."

Looking ahead, Kampton shared his predictions for organisations to focus on leveraging AI, ML and low code, no code (LCNC) platforms, which enable organisations to develop workflow processes and applications much more easily. He concluded: "There is no doubt these technologies will have a major impact on organisations and their treasuries as they upscale into the technology landscape."

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Click and Collect

On-Time Treasury Means Information at Your Fingertips

Niall Savage
Director Global Transaction Services, Bank of America

Sean Grace
Group Treasurer, Securitas

John Donegan
Treasury Operations Leader, Hewlett Packard Enterprise

'Real-time' is part of the treasury vernacular now, but how about 'on-time'? In this panel discussion at the recent IACT Annual Conference, Niall Savage, Director Global Transaction Services, Bank of America; Sean Grace, Group Treasurer, Securitas; and John Donegan, Treasury Operations Leader, Hewlett Packard Enterprise, explored the opportunities, advantages, requirements, and risks of this quite distinct concept.

For data to have value, regardless of how it is accessed, it must meet a need. In turn, a need being met as and when it is required carries most value. This is the simple premise of on-time treasury. It stands distinct from real-time treasury where data is subject to instant and often constant delivery, whether it is needed at the point of consumption or not.

It's a seemingly subtle difference, yet one that Savage suggested effectively draws the boundary between the frenetic always-on data feed that is real-time, and the controllable and practicable world of on-time. When today's proliferation of data is taken into account – at the hand of multiple digital channels and the creation of vast data lakes, for example – being in control of the reception and analysis of that data suddenly seems like a better world to inhabit, whether in treasury, procurement, AR/AP or any other associated function.

At the very least, on-time offers an easier path when turning information into action. It strips away the distractions of constant updates on matters that are not central to the activity under review. In essence, it is a kind of 'focus mode' for professional data users.

With the rise of instant payment mechanisms in particular driving commercial appetite for progress in this direction, Savage observes a number of clients already able to reclassify some of their payments runs. As an example, he noted how some now meet the end-of-shift needs of their gig economy workers, where wage payments may even be to a digital wallet rather than a bank account. This, he commented, has a knock-on effect for treasury

> *In some organisations, business results are separated from the full P&L. But treasury is in a unique position to bring those elements together.*

teams as they seek to manage their cash and liquidity positions, with on-time information having a positive impact on the control of these new flows.

But the nature of transition to on-time will vary for each business. Not all currently need an on-time liquidity position, or cash application and reconciliation. But some do. To help define need, Savage began by discussing the role and perception of treasury within the business. He tried to understand whether or not there is a wider appreciation of the flows of treasury information throughout the organisation, and, if treasury can achieve something quicker through on-time – investing cash, for example – what the impact of doing so will be for the wider organisation.

Follow the need

For those treasurers who do see the benefits, such as Donegan, the question of "where you are right now in terms of corporate treasury evolution" is still significant to the approach to on-time. Where there is a need to access on-time information, he cited two main drivers.

The first is business insights. This demands more than just the stream of indiscriminate treasury output it was a decade ago. Today, business teams want treasury to become a trusted adviser on central concerns such as FX, commodities, and cash and liquidity challenges in certain jurisdictions.

"In some organisations, business results are separated from the full P&L. But treasury is in a unique position to bring those elements together, feeding them into global management, using its access to business insights." On-time delivery, he argued, makes this service all the more valuable.

Donegan's second driver for an on-time structure is workload. Today, efficiency often translates into doing more with the same, or fewer, resources. "With more volatile markets, and a greater need for compliance, it demands more from treasury," he commented. "If you don't automate and have a digital solution, you are going to be behind the curve."

As a further observation on the importance of considering an on-time strategy, Donegan believes that it can be an "enabler for the team's career development", with necessary upskilling to leverage its true value adding to the individual's CV.

For Grace, on-time capabilities serve the current macroeconomic environment well. With the end of the era of low, zero or negative interest rates, the marginal cost of funds – and inefficiencies – which had been "quite low up to now" are now on the rise.

"Treasury might have worked discretely in the background during that time, but things have changed," he remarked. "Having access to cash is now more important than ever because it ultimately reduces the cost of funds, and the hit on the EPS [earnings per share], that higher borrowing costs cause. For treasury, that means having ready – on-time – access to information around funding flows and cash forecast requirements right around the world."

Managing expectations

The perception of real-time, and thus on-time, is to an extent clouded by a lot of noise created by an industry keen to promote its latest toys. It's not helpful for treasurers either beginning their journey or seeking to go further into this space, because the right strategy – and technology – for each business is far from clear.

Donegan agreed that the amount of information made available can indeed be "overwhelming". But he divides the process of moving to on-time into internal and external components, helping to bring a little more focus to his team's understanding.

"The internal piece is more about leveraging the data to which treasury has access," he explained. "There is a discussion to be had here about process automation, what is driving that, and in particular what we are going to do with the output."

The main driver of the internal component is the workload required, said Donegan. He clarified that the aim is to take people away from basic report-driven activities, replacing those with automated processes. He referenced the internal team's saving of at least a half full-time employee (FTE) in the past six months, just by automating certain reports.

Donegan's Hewlett Packard Enterprise (HPE) team also has an ongoing treasury dashboard project, now some 15 months in. This is enabling key financial data to be extracted for executive-level review of, for example, daily cash positions and free cash at COB, across some 300 entities. "Where once it took several hours, now it's instant," he revealed.

A component of the dashboard project is the delivery of intelligent KPIs, where the dashboard can expose cash levels through a traffic light system. When limits are neared, it can trigger certain actions. With trapped cash, or cash tied to a specific purpose, the overall figure may not disclose the true status. "KPIs are important," Donegan agreed, "but working on the idea that having a more immediate view of the cash reality, without having to delve too deeply, is a key function of intelligent KPIs."

The external element to which Donegan referred concerns engagement with bank partners. Notably this focuses on uncovering the actual benefits of, for example, real-time statements or blockchain-based payments, and discovering whether or not those partners are ready to deliver. "Our bank partners are key in the discussion of 'where to next?' for on-time," he commented, but added that "the whole ecosystem has to be ready for this to work".

While there is a need to keep abreast of topics such as on-time, and the potential to use them in treasury, there is still a day job to be managed. For Grace, the current priority is cash management and working capital.

In July 2022, Securitas completed the acquisition of electronic security firm Stanley Security from Stanley Black & Decker. The $3.2bn deal was funded by a mix of equity and debt, more than tripling Securitas' debt position in the process. "We now have a serious effort underway, deleveraging the group's balance sheet in the very short term, so all eyes are on cash, but at the same time we're integrating the new business, which has a very different cash culture," said Grace .

Securitas has a group treasury centre in Dublin, managing global cash and balance sheet activity. Its priority is funding the group, raising all external debt and managing this as efficiently as possible. It also manages all day-to-day central treasury operations. Grace said treasury already has on-time access to its core treasury data, enabling it to control and initiate group deals, hedging, borrowing, and deposits.

"At that level, I think we're there," he stated. "But our second mandate is to ensure the group is efficient in managing its receivables and cash. We have a role in working with the subsidiaries to make sure best practice is applied as to how we do business. There is now better infrastructure to support this; a decentralised approach would make the flow of on-time information much more challenging, and fortunately we're now far from that."

> *Every hour we can cut in waiting for payments will help reduce our DSO.*

Tools for the job

With functionality such as real-time and intraday reporting, and real-time sweeps, having been available for some time, Savage suggested that "the majority of corporates today are already using elements of on-time in treasury".

The focus now, he believes, is for treasurers to grasp best practice, and then work towards building a business case for the right technology to deliver against their identified challenges. Solutions could be in-house developed or bank- or fintech-driven. But their deployment may require upskilling in the team, or employing external assistance, because for on-time delivery to progress smoothly, order must first be brought to the mass of available data, and operational readiness within the organisation to handle that data ensured.

When preparing the ground for on-time, and building out the automation of certain tasks, Donegan recalled that securing IT bandwidth was initially a challenge. However, HPE's worldwide programme of development granted treasury access to a dedicated robotics team.

This "shadow IT function" enabled treasury to call upon a small group of focused technicians. They understood how vital automated TMS output could produce tangible results capable of building on the business case for the next step. This would push that data, in real-time, to tools such as SharePoint, and onwards into the more visually striking Power BI dashboards for executive-level consumption.

Looking back, Donegan revealed that there was a significant amount of initial planning around how to secure the resources, how to upskill the team, and then find the best way to leverage the TMS. But success has unlocked a worldwide effort to release key data from the previously closed world of the TMS into a separate incidence of SAP S/4HANA for the benefit of the whole business. The team is once again ramping up for another period of engagement to ensure this happens.

As these upgrades and "box splits" continue at a technical level, there must be consideration of how all of the automated processes are brought along too, said Donegan. "The more you embrace a digital strategy, the more complex your treasury solution is."

Externally, with payments and statements being drawn into an on-time world, HPE is currently in pilot mode. In reality, statements are being delivered every 15 to 30 minutes. "We've carved a path to begin importing these into the TMS. Early next year we will go live with an Excel add-in. It doesn't sound too exciting, but having all statements in one place, at one time, and refreshed every 30 minutes, can really add value."

With blockchain payments, HPE's bank partner(s) will remain vital. But, cautioned Donegan, banks must have the architecture to help the company map to those payment types, and the vision to know where they can be best used.

Initially they will be adopted for "after-hours payments" only. But he said he's looking to explore

wider possibilities, possibly controlling execution through the TMS, rather than the bank portal. This will see a reversal of previous connectivity. He explained: "We used to have direct host-to-host connection with our major bank partners, then we moved to a SWIFT nexus. But if we move towards blockchain payments, we'll be building host-to-host connections again." While these connections can be built relatively inexpensively, they still require ongoing monitoring and management. With that in mind, Donegan cautioned of a need "to be careful how you build out your infrastructure".

Almost central

While Securitas' treasury is centralised in terms of external debt and cash management, the business is still spread across 45 countries. This creates a high volume of invoicing activity for its on-the-ground domestic (and rarely cross-border) services. Grace believes that an on-time data structure would add considerable value to this labour-intensive process, noting that "every hour we can cut in waiting for payments will help reduce our DSO".

But the structure of the business is such that it would be challenging to establish it fully. With around half of its business conducted in the US, Securitas has been able to use a small number of banks to cover most of its activities here. European operations tend to be a little more complicated however. The Eurozone itself does help as it enables cost effective sweeping opportunities across the region, which we consolidate daily with our US dollar balances.

Other large markets such as the UK and Sweden are also centrally managed, but moving further afield, the complexity increases. Indeed, Grace noted that concerns such as currency controls and bureaucracy in some territories make real-time cash accessibility difficult. Nonetheless, while "letting the subs get on with it" is often the only way, he added that treasury ensures that in every location, policy and procedures are followed in relation to how cash and finances are managed.

Art of the possible

Donegan chose to conclude with his view that the idea of on-time will be driven by the demand for business insights. With treasury continuing to be relevant to the business by taking on an advisory role, thinking in a smart way about the information that is presented is vital. "If the business isn't asking for insights, then you have to find a way to delve into information that is more relevant to the business," he suggested.

The need for treasury to apply focus to business needs was reiterated by Grace. "But bear in mind that ultimately we serve the business, so I wouldn't be too concerned about other treasurers moving ahead at pace with this," he commented. "Automation is great, but remember we are dealing with significant volumes of money, with all the associated risks: when treasury is working well, nobody really notices, but when it's not working, it can be a major problem."

With that in mind, when data moves at pace, ensuring the correct controls are in place is essential, asserted Savage. While he had accepted from the outset of this discussion that the nature of transition to on-time will vary for each business, in concluding, he encouraged businesses to ensure that every new technology meets a genuine need, and is never deployed because there are enablers in the market that allow you to be trendy.

Of course, by staying close to trusted banking and technology partners, understanding the positives and negatives of any new tool or concept like on-time treasury is made easier, he added. "And while the intellectual curiosity of treasury teams will always help reveal what is possible, we see our role as its facilitator."

Credit Where Credit's Due

2024's Refinancing Challenges Assessed

Emer Murnane
Group Treasurer, Smurfit Kappa

Josef Pospisil
Deputy Head EMEA Corporates, Fitch Ratings

Corporate credit quality directly impacts the cost of finance, and in this panel discussion Emer Murnane, Group Treasurer, Smurfit Kappa, and Josef Pospisil, Deputy Head EMEA Corporates, Fitch Ratings, considered what's on the horizon that could improve or spoil the refinancing party in the coming year.

Global economic instability causes credit analysts to look deeper into the dark side, to make sure all the negatives have been addressed as they make their assessments of corporate credit quality. Although Pospisil's reference September 2023 global GDP figures looked undernourished, a hint of colour had returned to them by the time of this event, and the December data revealed that growth has continued to hold up.

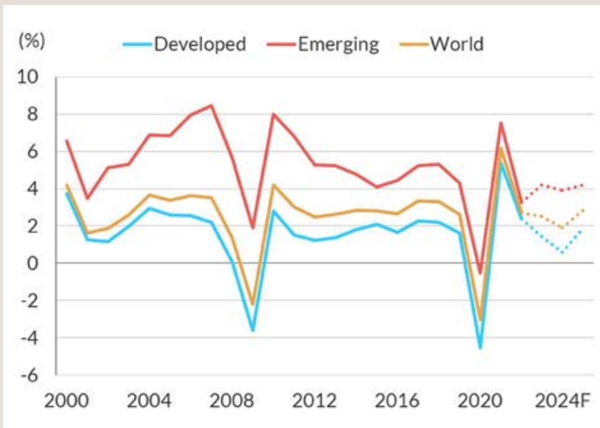
Economic overview

The general upside surprise for 2023 was two-fold, noted Pospisil. Fiscal easing has been significant, and the market has been surprised by an upward revision of post-pandemic consumer spending.

That said, Europe has been treading water in 2023, with credit tightening remaining an issue, alongside the slowing of global, and in particular Chinese, trade numbers, which have been hitting Germany's industrial base. A slight improvement is anticipated in 2024 as shocks from situations such as the energy crisis filter through, and growth plans rejoin the business agenda.

Meanwhile, although the US and China can still expect lower 2024 figures compared with their highs of a few years ago, both lead an almost positive charge against

World GDP Growth



Source: Fitch Ratings' September 2023 Global Economic Outlook (GEO) gloomier-than-expected GDP projections. The US is likely to avoid a 2024 recession despite a significant GDP drop-off. And China's consumer data is looking promising after policy-easing and the reopening of its labour market post-pandemic, although the property market has not stabilised which is a drag on the economy.

Inflation: the rating agency view

The core inflation charts revealed by Pospisil showed the US, UK and Eurozone numbers were heading back down towards target figures, albeit rather slowly, and still rather high for government tastes. "We expect the central banks to continue being extremely careful," he commented.

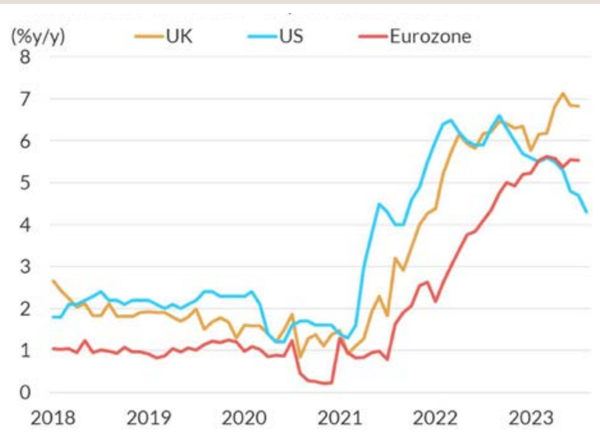
A major risk to consider here is geopolitics. This is causing energy price assumptions to be revised – mostly oil and gas – and if there is a significant worsening of the situation, leading to possible Middle East oil embargoes, the risk perception will intensify, creating a downside that Pospisil said the central banks will have to take into account.

Policy rates

This is the greatest point of difference between the rating agencies and the markets, noted Pospisil. Fitch, for example, is expecting a further small hike in rates, notably in the US, with easing by the Federal Reserve unlikely before July 2024. The Bank of England is probably close to its peak, but the European Central Bank is expected to deliver a little more tightening yet.

The key observation from all of this, Pospisil remarked, "is that the credit markets will remain quite tight, and for quite a bit longer". Focusing on the debt maturity profile of the riskier credit, even with the peak not expected until 2026 (or 2028 for loans), the market is showing signs of "beginning to normalise". However, he cautioned that financing cannot be left until the last moment. "With rates likely to be higher for longer, you'd better start addressing this quite early," he warned.

Core CPI Inflation



Source: Fitch Ratings, ONS, BEA, Eurostat, Haver

Mixed outlook

With Fitch's 2023 outlook having noted mid-year stabilisation in some sectors, the overall 2024 outlook for corporates in Europe is neutral. Looking back, there had been more upgrades than downgrades at individual company level in the investment-grade bracket, which was described by Pospisil as "a relatively good story". The main reasons for positivity include more companies starting to deleverage, and a post-pandemic capacity for businesses to recover margins.

At the riskier end of the ratings scale (B and lower), the story has been less positive. There were many more downgrades than upgrades, with average ratings lower than pre-pandemic levels, and "the more at-risk credits continuing to show a deteriorating position".

Looking ahead, the investment grade space will be "basically back to normal". The high-yield space is not so lucky, with outlook continuing its downward slide. "This is unlikely to reverse soon because of the high cost or even unavailability of debt."

However, considering the overall register of risks considered by Fitch, the broad outlook is described by Pospisil as "relatively moderate". It's a view in part attenuated by the lack of companies it rates with exposure to current geopolitical tension in Ukraine and Russia, and in the Middle East. Of course, all events are being closely monitored.

Deleveraging of a giant

Dublin-headquartered paper-based packaging company Smurfit Kappa was founded in 1934. It operates across 36 countries, mainly in Europe and the Americas. Its long history has seen diverse types of ownership, being private equity (PE) owned in the early 2000s before returning to the public equity markets in 2007.

At the end of 2006, still under PE-ownership, it was leveraged at 5.5x. By the end of 2007 its leverage was 3.2x. Currently it is 1.4x. “Obviously this takes a long time to achieve,” commented Murnane. “It is a function of EBITDA [earnings before interest, taxes, depreciation, and amortisation] and debt, and from a treasury point of view, the element where you have most control is the debt.”

Having progressively reduced its leverage target, Smurfit Kappa landed solidly in the BB+ crossover credit rating zone in 2014. In late 2020, Smurfit Kappa completed an equity raise to pre-fund growth capex, reducing leverage to 1.6x at the end of 2020 from 2.1x at the end of 2019.

Having taken on the Group Treasurer role at Smurfit Kappa in July 2022, Murnane gives kudos to her predecessor, exclaiming that “the balance sheet I inherited was fantastic”. With current levels of macro uncertainty and volatility, she acknowledges the protective power of that balance sheet, and the benefit of all the work that went before her.

Following the equity raise and deleverage, Smurfit Kappa was upgraded to BBB- with stable outlook by Fitch in late 2020. In early 2021, the company reduced its leverage target to 1.5-2x from 1.75x-2.5x and publicly stated its commitment to an investment-grade rating, following which Moody’s and S&P upgraded Smurfit Kappa to Baa3 and BBB- with stable outlook respectively in February 2021. In August 2023, Smurfit Kappa was put on a ‘positive outlook’ by Fitch.

Following the September 2023 announcement of the proposed merger between Smurfit Kappa and WestRock (rated Baa2/BBB), Moody’s placed the Smurfit Kappa credit rating on Review for Upgrade, S&P placed it on CreditWatch Positive and Fitch placed its long-term default rating on Rating Watch Positive.

Tackling the issues

In a conference straw poll of macro concerns, top of the list was geopolitical instability, followed by interest rates. The number one result came as no surprise to Pospisil, who commented that the other options (interest rates, FX et al) can be dealt with by robust process, whereas geopolitical instability is beyond the control of the business community, and is very difficult to address in advance beyond having a strong balance sheet.

All of the current concerns are interconnected to an extent, noted Murnane, with geopolitical instability fanning the flames of inflation and subsequent interest rate responses. However, the inability to hedge against the eventuality of a war, for example, is why it is viewed as a prime threat. The speed of interest rate rises in the current cycle has caught many off guard, she added, but in relative terms the levels are shocking only in the context of following on from a decade of almost free money. And while those who had leveraged up during the low-rate period will now be feeling some pain, "it's still the things that cannot be foreseen that keep most awake at night".

Inflation: the corporate view

The effects of inflation on Smurfit Kappa have been "managed well", said Murnane. "It's been helped by our business model, which is very integrated. We make boxes but we also make the paper to supply our own factories. There's a time lag between raw material prices rising and end product prices rising. That lag means when one side of the business is up the other can be down, creating a natural hedge."

Of course, the group also hedges on a prudent basis cost elements such as energy.

All change

With every company facing different challenges, depending on its profile, the rating agencies are concerned with understanding the key risks of the individual business, and how – and how well – they are being addressed, bearing in mind that the unexpected can happen.

It's why the simple act of fixing prices to achieve certainty, for example, is not always a good idea. Indeed, Pospisil recalled one utility major that presold a lot of output, was not able to deliver for technical reasons, and was forced to go to market to fill the gap, at a loss.

Despite the state of flux in the current market, the interest rate strategy and funding mix at Smurfit Kappa remains on the same path as when Murnane first arrived. "But there is a need to remain agile, and we've always spread our risks, so we don't have any material maturities in any particular year," she stated.

With rates now to a degree being seen by many as normalised, and only the pace of change having caught some off guard, Murnane believes that as windows are narrower and execution risk is higher, treasuries have to be ready to hit the market at the right time.

While there is no specific equation to set the balance between floating and fixed, shareholder expectations may have dictated how the risk has previously been tackled. As an example of how things have changed in such a short period though, those with fixed rates from a couple of years ago would today be sitting comfortably, while those with floating rates would be the ones identified as most likely to be assessed for a downgrade or negative outlook, said Pospisil.

"I think that the past few years have highlighted the importance of maintaining risk management fundamentals," Murnane advised. "It can be easy sometimes for companies to let stress testing slip when debt is cheap. However, because we were high-yield for so long, and bond markets can close to high yield borrowers, we developed a strong sense of discipline. Adhering to the fundamentals of risk management will never let you down."

Pospisil concluded with his view that it is vital for rated firms to remain communicative with their counterparties, including rating agencies. "None of us know exactly what will happen in the future, but being able to discuss risks, and ways to anticipate or address them, always helps us and helps you." If it keeps the lines of credit open, it's surely a winner.

Realising the potential of AI in Corporate Treasury

Anna Gozdalik-Coakley
Financial Services Data and Analytics Partner, EY Ireland

Gulru Atak
Head of Europe Transaction Banking, Barclays

The integration of AI and digital technology into corporate treasuries and within the banking realm was a keenly discussed topic at the recent IACT gathering. A panel discussion between two experts explored the application of AI and offered valuable insights and advice on best practice for businesses and treasurers.

It has been a rocket-fuelled breakout year for AI with its enormous potential being keenly assessed by corporates and banks as they continue to advance their existing digital transformation programmes at pace.

Indeed, according to McKinsey's latest annual global survey of business leaders and investors, one-third of respondents say their organisations are already using generative AI tools regularly in at least one business function.

The study also states that AI has rapidly risen from a topic relegated to tech employees to being a focus of company leaders. Nearly 25% of surveyed C-suite executives say they are personally using generative AI tools for work, and more than one-quarter of respondents from companies using AI say generative AI is already on their boards' agendas.

Around 40% of respondents say their organisations will increase investment in AI overall because of advances in the technology. More than half of surveyed business leaders, meanwhile, expect AI capabilities will be necessary for new businesses built in the next five years, double the share for any other specific technology.

Anna Gozdalik-Coakley, Financial Services Data and Analytics Partner, EY Ireland, is not overly surprised by McKinsey's findings, remarkable as they are, considering it is less than a year since generative AI tools such as ChatGPT made their debut. Discussing the implications of AI for organisations with Gulru Atak, Head of Europe Transaction Banking, Barclays,

> "*Too many AI projects start from a technology perspective, people getting excited by prospects of a shiny new toy.*"

Gozdalik-Coakley pointed out that most of us are already engaging with AI in some form in our private lives.

Gozdalik-Coakley said: "When you engage with streaming media, say Netflix or shopping on platforms such as Amazon, we are engaging with AI. All these platforms are AI powered to a significant level. Our daily communications are also being aided by AI – virtual assistants such as Siri and Alexa are all AI powered. Children are using ChatGPT for school work, something that, of course, is concerning for teachers and parents and merits much debate about the future of education.

"AI looks certain to become increasingly ubiquitous in our daily lives. And, as we have seen before elsewhere, if there is solid buy-in for a new technology from the consumer, its penetration into the corporate and banking working environment is more often than not accelerated. I think that is what we are seeing happening now with AI with its very rapid adoption, especially by Generation Alpha [those born between 2010 and 2024], offering a glimpse into the widespread integration of technology in daily life."

The sudden appearance of AI tools such as ChatGPT, however, belies the time and effort taken to bring the technology to its current state, says Gozdalik-Coakley, noting the field has been in development for more than 70 years. She added: "What is really exciting for organisations, public and private, with the latest AI developments is that while traditional AI can analyse data and tell you what it sees, the latest generative AI can use that same data to create something entirely new. We now have very stable AI systems that can deliver that and they will only become more powerful and sophisticated. That is what everybody's excited about, not least corporates and banks."

More than just a "shiny new toy"

One specific capability of generative AI that corporates and banks are especially keen to leverage is its ability to understand and analyse very large datasets and then generate new content and novel perspectives that otherwise would be impossible to create easily, if at all.

For Atak, the two primary pillars driving AI in treasuries are automation and predictive analysis and forecasting. She said: "On the automation side leveraging ML, which is a subfield of AI, and natural language processing is key, especially in relation to receivables reconciliation processing and document automation for STP.

"AI's predictive capabilities, meanwhile, empower treasurers in cash flow forecasting and balance predictions, steering informed decision-making. We are definitely seeing a lot of use cases across those two pillars being actioned by many, many of our corporate clients."

Atak said one of the most common questions about AI posed by Barclays' clients is to ask how they should go about initiating a strategy for its implementation.

Gozdalik-Coakley is clear that any such blueprint for AI implementation must be founded on three pillars: think, build and control. She explained that the thinking phase should entail identifying crucial pain points, aligning use cases with business strategy, and strategising data governance. Building the solution requires an agile approach to test prototypes, seeking collaborations and building necessary capabilities, while the control pillar emphasises the need to focus on risk management, compliance, and setting ethical boundaries for AI implementation.

Gozdalik-Coakley added: "Think everything. What is valuable to you? What is important? What hurts most? Generate ideas – as many as possible – and work together with colleagues, and not only your finance and treasury colleagues. Bring data and technology people into the room to help identify what is important. Forget about the technology in these initial stages, focus on the outputs and impacts you want to achieve as an organisation.

"Too many AI projects start from a technology perspective, people getting excited by prospects of a shiny new toy. That is the opposite of where you want to be. Think about what hurts first in detail, and then see how technology might help. Aligning your top use cases to the business strategy is essential – there is no point starting an AI campaign if it's not going to be funded because it's outside of your business, data or technology strategies.

Team work key to AI success

Gozdalik-Coakley also strongly advises that, when starting to deploy AI systems, to ensure use cases are launched in safe environments, to observe whether they can achieve the desired results or need tweaking. But she added: "Don't end up flogging a dead horse – be prepared to discard a potential solution and start again. I would also urge you to embrace agile ways of working because once you have an agile approach to build, deploy, test, discard, it's actually easier, as you have a systematic process in place. Otherwise you risk trying to achieve your aims on the hoof and ending up floundering around.

"And don't do it all alone. What we often see is an AI project start somewhere on the edge of the organisation led by one department with little or no collaboration. That's actually a kiss of death. AI is a team sport. Data is a team sport. You don't start AI without heavy reliance on data. So look for support from your data team, as well as from your CISO [chief information security officer] and data privacy and data governance colleagues. If you have legal and compliance teams, make sure to consult with them too. AI is going to be regulated sooner or later, so keep an eye on regulation that's coming down the road."

> *"AI is a team sport. Data is a team sport. You don't start AI without heavy reliance on data. So look for support from your data team."*

Seek out partners; be realistic

Over and above what AI can tangibly deliver for an organisation it is critical, Gozdalik-Coakley said, to make sure proposed solutions are compliant with internal systems and processes, whether they be operational or related to IT resilience, data privacy or governance. Also key before going live with an AI project will be controls for humans – standards and principles for how the AI system being implemented is not only going to be used but also what it mustn't be used for.

More broadly, Atak said that with data experts essential for AI projects, there is growing concern that many of the best are being snapped up by the Big Tech players,

leading to a scarcity of talent for many corporates. Gozdalik-Coakley said the best way for organisations to address this particular problem is to forge partnerships with banks or vendors. She added: "If you don't have the experience and expertise in your organisation, look for somebody who does, be it a consultant or a tech organisation you want to collaborate with and can help with homing in on the tech stack you want to use."

Gozdalik-Coakley said experimentation and flexibility should be key considerations in designing and developing AI solutions. The aim should be to evaluate multiple tech stacks and gradually scale based on tangible results.

She added: "What I have seen is that too often the starting projects are too ambitious, especially from the data perspective. Most financial organisations have some dark corners in their data management systems and legacy issues associated with them. Unravelling all that can require significant investment in time and effort. So be realistic from the outset and focus on data sets that are manageable."

> *Our aim is to actually use machine learning models to better and more dynamically manage our balance sheets.*

Reading the signals

Banks, of course, are highly active on the AI front and Atak believes there are institutional AI use cases that could also be inspirational for corporate treasury. These include sentiment analysis, lead generation, balance forecasting, and risk management.

Atak added: "At Barclays we are very interested in, for example, using natural language processing [NLP] and machine-learning models to understand client sentiments, including complaints they may have. These sentiments are essentially in the form of unstructured texts, which is a problem we have in common with corporate treasuries.

"The idea is to turn that unstructured information into structured data and then run some AI models around it, [and] identify the signals that we are getting from our clients. These signals can help better address problems clients are having or, indeed, alert us to new business opportunities identified from all those interactions."

Atak said balance forecasting is one of the most obvious institutional use cases of AI that can be transferred to the needs of corporate treasuries. "Here our aim is to actually use machine learning models to better and more dynamically manage our balance sheets so as to be able to forecast and take pre-emptive action."

Both Atak and Gozdalik-Coakley believe the experience being built up by institutions in leveraging AI for risk management generally will prove helpful for corporates as they progress their own AI initiatives.

Gozdalik-Coakley said: "AML and KYC are obviously huge, hot topics and a major challenge for many financial organisations and corporates alike, so there is clear mutual interest there in leveraging AI.

"An AI system can not only look at what is happening in real-time but also interrogate market drivers, the news, and relevant unstructured data, integrate them all to predict risk factors and warn risk teams of potential problems in good time. Looking ahead, I am sure there will be many more AI use cases from the banking sector that will be translated for corporate treasury application."

Fortune Favours the Bold

Treasury's Tech Future Uncovered

Séverine Le Blévennec
Global Head of Treasury,
Aliaxis

Fiona O'Leary
Director – Corporate Treasury
Digital Strategy & Processes,
Pfizer

Fariha Amin
Head of Corporate Treasury,
tesa SE

Jolien Grymonprez
Senior Customer Success
Manager, TIS

What's hot and what's not in the treasury tech space? Séverine Le Blévennec, Global Head of Treasury, Aliaxis; Fiona O'Leary, Director – Corporate Treasury Digital Strategy & Processes, Pfizer; Fariha Amin, Head of Corporate Treasury, tesa SE; and Jolien Grymonprez, Senior Customer Success Manager, TIS, take a treasurer and vendor view in this IACT panel discussion.

While a new or improved TMS, and a general desire for automation, topped the list of technological wants in a straw poll of this session's audience, AI was struggling to get off the ground. Indeed, commented Le Blévennec in response to this poor showing for the newest technology in the treasury space: "It's a reality that many companies are still fixing the basics".

With so many companies working towards improving their data management and visibility, and planning for process automation and deeper integration with the rest of their technology set-up, she added that "the order of adoption is revealing a kind of maturity ladder".

The take-up of AI remains low down the treasury agenda for now. But the quicker and more precise analysis that it can bring will be a natural step forward when the fundamentals are fixed. So even if some treasuries are still fighting with spreadsheets, their future technological state may yet feature AI. It will bring opportunities, but also challenges for treasury.

Grymonprez, representing a cloud-native solutions provider that places a heavy emphasis on data accessibility and harmonisation, had expected both AI and cybersecurity to top the list. That the TMS was top of the agenda is, noted O'Leary, probably a reflection of recent significant and diverse changes in the market. With new rules on using risk-free rates, new types of instruments being used, and increased pressure to achieve more effective hedging, for example, she mused that "older systems are possibly not set up to manage these new demands, so an upgrade probably makes sense".

AI in treasury

So what of AI adoption in treasury? From the perspective of a global pharmaceutical company, O'Leary explained that it has been a welcome addition to Pfizer's R&D for many years. While in the treasury context, algorithms have so far been deployed only to assist Pfizer's FX trading, she foresees a "use-case evolution" of predictive AI and 'public access' tools such as ChatGPT and other generative AI. Microsoft's Copilot (a series of AI 'companion' apps) and the Alteryx low-code/no-code workflow and analytics automation tool for Excel, are also on her radar.

Le Blévennec, a well-known technology enthusiast, unsurprisingly also has AI on the Aliaxis roadmap. While ChatGPT is at an experimental stage of usage for her, plans are afoot for the roll-out of an AI-assisted cash forecasting tool which, she reported, is likely to be TIS' CashOptix.

In fact, AI in a forecasting role is perhaps one of the most promising applications for treasury. Grymonprez declared that TIS has embarked upon the exploration of AI within its own cash forecasting module for a number of clients, and so it will become a practical reality for them.

In enabling analysis of historical customer activities within statements, for example, she explained that the algorithm will aid accurate forecasting of behavioural nuances that were previously not possible. The probing of historical cash flow data is also being used to provide more accurate predictions around those flows.

What's more, historical data can be used to detect subtle changes in more predictable cash flows, such as payroll or rent.

While the core data is relatively easy to understand, Grymonprez added that TIS is now experimenting with more complex algorithms to assist with areas such as payment behaviour. "The key challenge here is to generate easy-to-consume insights from complex data because this generates trust, and enables clients to respond most effectively."

It is a steep learning curve, and those aiming for AI as part of their toolkit need to work with their vendors, as questions must be asked and all necessary functionality must be available before even thinking about AI, Grymonprez advised. It's why the TIS cash forecasting solution follows a "walk, run, fly" approach.

First, it means being able to lay the proper foundations, establishing clear workflows and automated data input from all relevant systems. Second, it demands a demonstrable committment to investment in AI R&D. A third element, she noted, is close attention to cyber-security, with evidence of appropriate auditing and certification by the relevant regulatory entities to carry out work in this field.

With a major cash management improvement project underway with TIS, tesa's Amin reported that the scope of the cloud-based platform roll-out included global payments, liquidity, and bank relationship management. The aim is to achieve enhanced visibility, efficiency, and security – at a lower cost.

A quick-fire tech exploration

Open banking

Despite a slow start at a corporate treasury level, there have been some developments in open banking, said Jolien Grymonprez, Senior Customer Success Manager, TIS. The main use of this form of API connectivity is to access real-time cash balances, typically enabling companies to optimise their liquidity positions. But more firms are now using the structure to access alternative and faster payment systems – especially for treasury payments. But, she added, "there is much more to come; APIs must be part of a multibank- and multichannel approach, but APIs alone are not a silver bullet".

CBDCs and crypto

"The great thing about CBDCs is that they maintain the quality of money that we want, which is the store of value in the medium of exchange, and there's regulation and reserves behind it," commented Fiona O'Leary, Director – Corporate Treasury Digital Strategy & Processes, Pfizer. Cryptocurrencies on the other hand, have none of this. "I'm not a fan," she confirmed. Personal views aside, from a treasury perspective, she added that it's important for all treasurers to talk to their TMS providers to at least explore how they are gearing up for the greater adoption of CBDCs and digital wallets.

Indian innovation

India is a country with a vibrant IT community, which feeds through into its banking sector. Some of its innovative services have deeply impressed Séverine Le Blévennec, Global Head of Treasury, Aliaxis, including an ability to load open invoices into a banking platform, have bank account reconciliation executed automatically, then generate the appropriate accounting entries in the ERP.

The level of innovation on offer in India appeals to Le Blévennec, who reported that her company is already outsourcing "quite a lot of work to our banks there". She added that more innovation is now entering the market, with the Open Network for Digital Commerce [ONDC] initiative. ONDC is enabling smaller companies to establish their own online marketplaces, using open banking to facilitate payments. "The level of investment by Indian banks and FIs in this and other projects is remarkable. There's fierce competition and many are working on thrilling projects that we would like to see here in Europe."

Cloud

On-premise solutions are very old school now, noted O'Leary. The days of having servers on site for which internal teams were responsible at almost every level, were numbered as companies sought a slice of global action. They needed external data centres to help them gain the reach they needed. This soon led to the outsourcing of their in-house IT support, which in turn set the scene for the adoption of cloud solutions. Cloud enables various levels of IT infrastructure to be shared among multiple clients (or a single client if private) and is delivered remotely by its provider. The provider takes care of all the security, maintenance and updates.

The increasing shift towards cloud providers, such as AWS, Google Cloud, and Microsoft Azure, is to a large extent based on lower cost of ownership relative to on-premise, and the removal of most or all maintenance work, she noted. "But on the negative side, my concern is that everyone is putting all their eggs in one basket."

Here, the work is driving significant improvement within the firm's treasury fundamentals, such as data aggregation and harmonisation, and collaboration through standardised and auditable workflows. While AI has not been included in the current phase of the project, Amin said it is tabled for the future. She added that it would not only cover the TIS platform but also other systems in tesa's architecture, with AI potentially enabling automation of a host of routine tasks around data collections and entry, and reconciliations, all of which will "make our working lives easier".

Be prepared

The long-held IT axiom that 'garbage in means garbage out' holds true for AI. It's 'intelligence' extends only as far as what it's given to work with, even if it can rapidly cover a huge amount of ground. Ensuring data integrity is therefore a vital determinant of success for every AI project. The key, stated Le Blévennec, is to have a robust data governance model in place at the start.

"You need to globally define and preferably centralise your core data elements; going into multiple source systems to modify the way these are structured to achieve that single definition can be painful, but if you want to leverage your data lake, then this may be what you have to do."

Trying to harmonise data on a global basis does indeed sound like a lot of hard work upfront. But by starting with core data, and then expanding and refining progressively, it becomes a more manageable proposition, assured Le Blévennec. She added that while perfection should not be expected immediately, AI will be able to assist once the process is underway.

Another potential issue with the consumption of vast pools of data is that of privacy. While Generative AI is a "wonderful toy" in its current guise, O'Leary warned that although ChatGPT is not open source, other tools in this genre are, and that these can create new risks. As such, not only should users be mindful of the garbage in, garbage out axiom, but also that entering personal or company data should be avoided. "It's not something I'd have within the walls of our company," she stated. "The regulation around AI has to evolve quickly because the technology is ahead at the moment, and, as we saw with cryptocurrencies, this can create some major risks."

> *Leave yourself open to learning about new technologies, but always keep an open mind about your existing toolkit.*

APIs on the march

While potential treasury use-cases for APIs are many – cliché though it is, the imagination is the limit – current actual deployment tends to linger around prosaic activities such as acquiring bank account balances, transaction information, and bank statements. Indeed, another straw poll for this session revealed that while overall adoption of APIs is low, areas such as instant FX rates and payment initiation are barely out of the starting block.

One current adopter of APIs is tesa, Amin having revealed that her treasury is using them for bank statements. She believes that almost every industry is now at the stage of API acceptance, many having been driven towards them by increasing consumer expectations of speed and efficiency in every interaction. This pressure is slowly being absorbed into non-consumer facing industries as they scramble "to avoid getting left behind".

The negatives of API adoption are still a concern for O'Leary. She feels that a badly-coded interface, which is not unheard of, can be a huge risk for treasury. "Before you start embracing APIs, you need to at least have a security policy around them, with robust protocols in place for their management."

Waiting for the vendors of Pfizer's treasury systems to create a middleware API bridge, and thus take on all of this background work will, once delivered, enable O'Leary's team to draw breath and enjoy the benefits of this connecting technology. For now, she opined: "APIs are needed, and uptake will grow, but they need to grow in a structured and secure way".

With the emerging risk of 'shadow' APIs – those that are not managed or secured by the organisation using them – cyber-security is now a real issue. It demands extra vigilance as the roll-out progresses. In 2022, research by cyber-security specialist Cequence specifically listed shadow APIs as a factor in more than 30% of the 16.7 billion malicious transactions covered in the study.

Treasury reticence is apparent, even as more vendors and FIs publish their API libraries. "Now is the time to seriously consider the use cases, and understand where APIs have clear advantages over file-based data exchange," suggested Grymonprez. "Once properly understood, this can drive a lot of value for treasurers in the coming years."

She acknowledged the concerns of treasurers, and referenced the need to push global efforts around banking API standardisation – such as the Berlin Group or Open Banking framework in the UK – "to foster greater confidence".

Grymonprez also pressed home the need for API users to ensure their vendors are appropriately audited and certified, and even then to log and monitor all API activity. However, she pointed to the "numerous benefits TIS customers are already receiving from TIS APIs", not only for real-time cash visibility and payments, but also for fraud dectection and sanctions compliance. With no API-standard as yet in this space, and every bank offering it's own take on APIs, she added that API aggregators such as TIS "are providing considerable value and are growing fast".

As one who has taken first steps with APIs, Le Blévennec reported that Aliaxis has a live connection between its TMS and one of its banks (it is actually the first live bank API with that TMS). While this link currently only delivers bank statements, she is also working towards connecting the firm's accounting systems with the GLEIF (Global Legal Entity Identifier) Index. This will assist with automated counterparty identification. "I'm a strong supporter of leveraging the LEI for payments security as well as a first level of credit analysis," she explained.

Making the most of APIs can require the support of other technologies. Le Blévennec first implemented RPA around five years ago, and has since made the most of the learning experience and the practical value of automation. She commented that its role today is to "fill in the gaps" between systems that meet needs, and those that burden treasury with inefficient manual processes.

With her self-built "user-friendly" RPA tool, she can capture and manage intraday data from hundreds of accounts. She has now also incorporated functionality to enhance reporting. The in-house bots process account data in seconds, before automatically uploading output to a spreadsheet. This facilitates quicker and easier decisioning, with the team able to push some activities closer to cut-off times, and enable a significant reduction in uninvested cash.

"It became the best buddy of the treasury team," Le Blévennec recalled. "RPA is a great technology; you just need to be brave and start using it. And even in the five years since I started, it has become a lot easier and more affordable to implement."

Where to begin?

Starting with a core system implementation, and ensuring data integrity before considering tools such as RPA and APIs, is sensible approach, pronounced Le Blévennec. But, she added, much forethought is always needed. "Start with the basics, but always keep in mind your direction of travel and the tools in which you might later invest, because it's a good idea to prepare the ground for them at the outset."

When Aliaxis changed its ERP, Le Blévennec was mindful that the cash forecasting solution in the TIS platform would likely be implemented at a later stage. Conversations with that vendor mapped out treasury's future forecasting expectations, and in turn the vendor offered advice on how data could be structured within the new ERP to achieve treasury's longer-term goals. Aliaxis adopted the same forward-thinking approach to the planned adoption of LEI data. In each case, forward-planning will make life considerably easier when these tools are eventually deployed.

There was full agreement from O'Leary on the need to prepare static data before implementing new tools that will use that data, such as RPA or AI. "Talk to your prospective vendors about the fields needed to execute any plans for data analytics, but also think about how basics such as bank account numbers will be managed. These can be problematic when different formats are stored across different systems, so make plans ahead of time on how you will merge them."

And if development work is known to be required for the ERP, try to become involved at ground level, advised Grymonprez. "When the consultants are in, talk to them as soon as possible about treasury's current and future needs; it really will help you later on." She also expressed the view that a central payment hub with extensive system and bank connectivity – enabling enterprises to have access to both bank and payment data as well as invoices and vendor data in one place – is the most efficient way to solve the common issue of siloed information.

Treasury versus tech

It seems clear now that over the next few years, many business functions will have no option but to pay closer attention to AI. Treasurers in particular should be curious but deeply security-minded from the outset, warned Grymonprez. Amin also acknowledged AI's inevitable rise, and suggested starting explorations – including how data will be managed – sooner rather than later.

Taking a general view of innovation, Le Blévennec cautioned on the importance of not being beguiled by certain buzzwords, and added that innovation's real value is always highly context-dependant. "See it as the match between your environment and certain technologies; always have in mind the next steps for the whole business, not just treasury, and never be afraid to ask questions or experiment."

Indeed, innovation is an ongoing process, and one that can offer treasurers equal measures of anxiety, dead-ends and "fun journeys", observed O'Leary. Ultimately, she advised, "leave yourself open to learning about new technologies, but always keep an open mind about your existing toolkit because often you'll have more potential there, for treasury or other parts of the organisation, than you ever realised."

Sharing, Building, and Connecting

Joining the Treasury Dots

Steve Krippner
Senior Advisor, PwC

Corporate treasuries continue to face a challenging environment as volatility, a broad range of geopolitical events, and rapid technological change continue to affect the supply chains, operating costs, and business endeavours of domestic and large multinational companies. These were the key themes of the IACT 2023 Annual Treasury Management Conference held in Dublin.

I was delighted to chair what was another successful IACT conference. Not only did the event offer a platform from which industry professionals could compare insights and experiences, it also supplied some meaningful human stories, such as the last word from **Richie Sadlier**. Superbly interviewed by **Cian Butler**, ESB, Richie shared a deeply honest and personal journey through the end of his football career, addiction, and his life today as a husband, father, and pundit. These were valuable life lessons for us all as we manage our own pressures of work and family.

Before diving further into the key insights and areas covered in the conference, it is worth noting how well attended the event was, with more than 370 attendees from across a range of industries and sectors. The breadth and depth of the collective experience were impressive, as was the level of investment of time and resources from key vendors and relationship partners, particularly from our banks and other financial service providers whose representatives attended in large numbers.

The conference kicked off with **Aimee Cullen**, President of the IACT, who introduced the agenda and key themes, and moved on to keynote speaker **David Tilson**, Head of Debt Capital Markets, Cantor Fitzgerald Ireland. He provided a fascinating view of the current macroeconomic environment and offered insight as to how treasurers could best equip themselves to understand it.

Aligned to Ireland's growing strategic treasury capabilities, the conference agenda was designed to enable participants, through panel discussions and breakout sessions, to examine key corporate finance topics beyond core operations. Issues included credit ratings – the why, what and how; the journey towards becoming an established debt capital markets issuer; and refinancing challenges and risks likely to be encountered during the year ahead. The themes of volatility and inflation headwinds also came into focus with a breakout session on managing commodity price risks.

Meanwhile, in the main auditorium, several panel discussions were held covering topics such as 'on time' treasury, artificial intelligence (AI) and understanding of technology, all of which underlined the growing importance for treasury leaders and teams to be digital- and technology-savvy.

Key takeaways from these informative sessions included the need to evolve treasury teams' skillsets, and to seek out experience in data science and use these capabilities to build business cases for transformation, such as predictive cash forecasting. We were also introduced to the concept of a shadow IT capability in treasuries familiar with data visualisation tools, such as Microsoft Power BI, to drive vision and increase the intelligence needed to encourage executive dialogue and sponsorship.

On the increasingly topical subject of AI, what was made noticeably clear was the criticality of data management and governance. Rather than a replacement capability, the successful adoption of AI can be seen to augment existing talent. Some interesting use cases were discussed regarding leveraging AI's ability to analyse large and unstructured datasets to establish flags, alerts, and pick up unusual patterns of behaviour.

This is especially useful in the anti-money laundering, fraud detection and KYC processes for banks and corporates, increasing automation for cash application processes for receivables management, and providing predictive analytics on cash and balance sheet forecasting. AI is hugely relevant to the treasurer as its successful adoption will tend to focus on addressing pain points and alignment with the business, data and technology strategy of their company. This small sample of the conclusions drawn hopefully conveys the quality of discussions that took place.

The energy throughout the conference was uplifting, with an engaged audience asking many pertinent and searching questions. There were also some lighter moments, with some lucky individuals taking away great prizes like a signed football or Ireland shirt. It was a splendid way to wrap up the day.

In summary, platforms such as the IACT Annual Treasury Management Conference continue to offer peers an opportunity to share and build connections and to forge key partner relationships, while continuing the learning journey that forms part of modern treasury management.

IACT2023

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J.P. Morgan's Payments business combines the firm's treasury services, trade, commercial card and merchant services capabilities to help clients pay anyone, in any currency, anywhere in the world. Focused on helping treasury and payments clients navigate changing environments, digital transformation and evolving customer expectations, J.P. Morgan processes $9tr. payments daily, is the top USD clearer and was the first to offer real-time payment capabilities across USD, GBP and EUR.

With the payments landscape transforming faster than ever, businesses increasingly feel the pressure to digitise their treasury and payments or be left behind. It may seem overwhelming, but you don't have to go it alone. That's where J.P. Morgan fits in. We offer digital-first solutions supported by experts who guide clients in any industry, anywhere in the world. We bring the scale of a global bank and the agility of a fintech to transform your treasury.

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Bank of America is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk management products and services. The company provides unmatched convenience in the United States, serving approximately 68 million consumer and small business clients with approximately 3,900 retail financial centres, approximately 15,000 ATMs (automated teller machines) and award-winning digital banking with approximately 57 million verified digital users. Bank of America is a global leader in wealth management, corporate and investment banking and trading across a broad range of asset classes, serving corporations, governments, institutions and individuals around the world. Bank of America offers industry-leading support to approximately 4 million small business households through a suite of innovative, easy-to-use online products and services. The company serves clients through operations across the United States, its territories and more than 35 countries. Bank of America Corporation stock is listed on the New York Stock Exchange (NYSE: BAC).

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Barclays Europe, headquartered in Dublin, offers products and services across corporate and investment banking, card payments, acquiring and private banking. Our on-the-ground teams across Ireland and continental Europe specialise in international corporate banking, delivering our brand new unified transaction banking platform to clients, supported by dedicated relationships and expertise across a variety of sectors and local geographies.

Our European banking platform can take your business further. It provides seamless, streamlined banking that can connect you across Europe, with a consistent and simple platform – leaving you free to focus on strategy and growth.

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FIS

From cost pressures, market volatility, and regulatory compliance to a lack of real-time cash visibility and growing risks, treasurers are under a heavy burden. The only way to address all this is with digital technology. FIS offers leading, award-winning liquidity and risk management solutions for corporations, insurance companies and the public sector. The solutions help consolidate data from multiple in-house systems, drive workflow and provide connectivity to a broad range of trading partners including banks, SWIFT, FX platforms, money markets, and market data as well as API integration to ERPs. FIS' cloud-based treasury and risk management solutions provide functionality across cash, risk management, debt and investment, FX, hedge accounting and more and are backed by managed services. At the same time, FIS helps advance payments to digital with FIS' payment hub solution. FIS also provides bank connectivity, commodity risk management, financial close management, reconciliation, and more solutions.

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FitchRatings

Fitch Ratings is a leading provider of credit ratings, commentary, and research. Dedicated to providing value beyond the rating through independent and prospective credit opinions, Fitch Ratings offers global perspectives shaped by strong local market experience and credit market expertise. We use deep market experience to inform our forward-looking analysis, which leads to greater ratings stability. Our bottom-up analysis helps us identify companies with liquidity concerns, versus survivors of sector stress.

Fitch Group is a global leader in financial information services with operations in more than 30 countries. Fitch Group is comprised of: Fitch Ratings, a global leader in credit ratings and research; Fitch Solutions, a leading provider of credit market data, analytical tools and risk services; and Fitch Learning, a preeminent training and professional development firm. With dual headquarters in London and New York, Fitch Group is owned by Hearst.

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At S&P Global Ratings, our analyst-driven credit ratings, research, and sustainable finance opinions provide critical insights that are essential to translating complexity into clarity so market participants can uncover opportunities and make decisions with conviction. By bringing transparency to the market through high-quality independent opinions on creditworthiness, we enable growth across a wide variety of organisations, including businesses, governments, and institutions.

S&P Global Ratings is a division of S&P Global (NYSE: SPGI). S&P Global is the world's foremost provider of credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help many of the world's leading organisations navigate the economic landscape so they can plan for tomorrow, today.

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tis

TIS helps CFOs, Treasurers, and Finance teams transform their global cash flow, liquidity, and payment functions. Since 2010, our award-winning cloud platform and best-in-class service model have empowered the entire office of the CFO to collaborate more effectively and attain maximum efficiency, automation, and control. By streamlining connectivity between our customers' back-office systems and their worldwide banks, vendors, and business partners, TIS enables users to achieve superior performance in key areas surrounding cash forecasting, working capital, outbound payments, financial messaging, fraud prevention, payment compliance, and more.

With over 11,000 banking options, $80bn. in daily cash managed, and $2.5tr. in annual transaction volume, TIS has a proven track record of combining our unparalleled market expertise with tailored client and community feedback to drive digital transformation for companies of all sizes and industries. As a result, hundreds of organisations and thousands of practitioners rely on TIS daily to gain strategic advantage, monetize data, improve operational efficiency, and better manage risk.

Aviva Investors is a global asset manager with over €248bn of AUM* managed in real asset, fixed income, equity, multi-asset and alternative investments in 14 countries*. Our clients can benefit not only from our significant local knowledge and experience, but also from the extensive global investment resources at our disposal. Responsibility is incorporated at all levels of our organisation: understanding the factors, risks and opportunities in ESG helps us to be better investors and delivering the investment results our clients expect.

The value of an investment is subject to increases and decreases. Investors may not recover the amount originally invested.

**Data as of 30 September 2022.*

BNY Mellon Investment Management is one of the world's largest asset managers, with US$1.9tr.* in assets under management as of March 31, 2023. Through an investor-first approach, BNY Mellon Investment Management brings to clients the best of both worlds: specialist expertise from seven investment firms offering solutions across every major asset class, backed by the strength, stability, and global presence of BNY Mellon.

BNY Mellon Investment Management is a division of BNY Mellon, which has US$46.6 tr. in assets under custody and/or administration as of March 31, 2023. BNY Mellon can act as a single point of contact for clients looking to create, trade, hold, manage, service, distribute or restructure investments. BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation (NYSE: BK).

** Total assets under management (AUM) as at March 31, 2023*

DWS Group (DWS) with EUR 841bn of assets under management (as of 31 March 2023) aspires to be one of the world's leading asset managers. Building on more than 60 years of experience, it has a reputation for excellence in Germany, Europe, the Americas, and Asia. DWS is recognised by clients globally as a trusted source for integrated investment solutions, stability and innovation across a full spectrum of investment disciplines.

We offer individuals and institutions access to our strong investment capabilities across all major liquid and illiquid asset classes as well as solutions aligned to growth trends. Our diverse expertise in Active, Passive and Alternatives asset management – as well as our deep environmental, social and governance focus – complement each other when creating targeted solutions for our clients. Our expertise and on-the-ground knowledge of our economists, research analysts and investment professionals are brought together in one consistent global CIO View, giving strategic guidance to our investment approach.

DWS wants to innovate and shape the future of investing. We understand that, both as a corporate as well as a trusted advisor to our clients, we have a crucial role in helping navigate the transition to a more sustainable future. With approximately 3,900 employees in offices all over the world, we are local while being one global team. We are committed to acting on behalf of our clients and investing with their best interests at heart so that they can reach their financial goals, no matter what the future holds. With our entrepreneurial, collaborative spirit, we work every day to deliver outstanding investment results, in both good and challenging times to build the best foundation for our clients' financial future.

Fidelity International is a global leader in the investment and retirement savings business, providing investment solutions and services, and retirement expertise to more than 2.88* million customers globally. Established in 1969 as the international arm of Fidelity Investments, founded in Boston in 1946, Fidelity International became independent of the US organisation in 1980. We are a privately held investment firm, majority owned by senior management, the founding family interests and charities. Investment is our core business with no conflicting interests from other financial services activities, this ensures we are driven by our clients' needs and not by short-term shareholder demands.

As a purpose-driven company with a heritage of over 50 years, we think generationally and invest for the long term. We offer our own investment solutions and access to those of others and deliver services relating to investing. For individual investors and their advisers, we provide guidance to help them invest in a simple and cost-effective way. For institutions, including pension funds, banks, corporations and insurance companies, we offer tailored investment solutions, consultancy, and full-service outsourcing of asset management to us. For employers, we provide workplace pension administration services on top of, or independently from, investment management. Today we manage total client assets of $744bn, including $80bn in dedicated fixed income strategies of which $15bn is managed in liquidity funds.

Our investment approach requires a continuous research commitment to build a deep understanding of what is driving industries and individual businesses. This is where our global research capabilities with 446* investment professionals and research support staff around the world come in. Fidelity is committed to generating proprietary insights and our analysts work together across asset classes, for example, combining insights from Equity, Credit, Macro and Quantitative Research, to form a 360-degree view on the health and prospects of companies.

In the case of money markets, we centre on proprietary credit analysis alongside consideration of wider inputs such as environmental, governance and social factors. Our long-standing expertise in money market investing means we can offer you secure, high quality and liquid solutions.

**Source: Fidelity International, 30th June 2023. Data unaudited, asset figures rounded to the nearest US$ billion. Total client assets include assets under management and assets under administration. Liquidity Funds include institutional liquidity funds, retail cash funds and the Fidelity Enhanced Reserve Fund.*

ICD is treasury's trusted, independent portal provider of money market funds and other short-term investments. More than 400 treasury organisations across 65 industries and 43 countries use ICD Portal for unbiased access to the short-term market and to leverage ICD's award-winning tools for research, trading, analysis and reporting. At the intersection of the treasury investment community and the 40+ fund providers serving them, ICD Portal processes approximately $5tr. trades annually by FTSE 350 and Fortune 1000 companies and by local authorities.

All of ICD's technology solutions have been co-innovated with clients, making ICD Portal and its related solutions the go-to industry standard for treasury's investment activities.

Efficient trading technology

ICD's dedicated technology team continuously advances its portal solutions. In addition to its easy-to-use interface and flexible dashboards, ICD Portal offers award-winning capabilities, including:

- Trade execution – From a single trade ticket, ICD Portal sends information to your treasury management system, custodian bank, clearing bank and/or fund companies, while updating balances in ICD Portal and its award-winning exposure analytics application, Transparency Plus®.
- Risk Management – Transparency Plus exposure analytics provides on-demand access to detailed intelligence. View exposures to counterparties, countries, sectors, security types, and more, to optimise your portfolio.
- Compliance – Invest within your policy guidelines using ICD Portal's compliance rules. In addition to managing and monitoring exposure guidelines in Transparency Plus, ICD Portal's front-end and back-end compliance features will warn or block users when a compliance rule is being violated.
- Reporting on demand – Deep, consolidated reporting covers hundreds of metrics for research, comparison, history and audit purposes. Reports include Dividend Accrual Report, Gain/Loss Report, Comprehensive Report, Fund Reports, MMF Guideline Report, NAV Flow Liquidity Report, Repo Report, Portfolio Summary Report, and more.
- Settlement – Automated wire settlement through ICD's award-winning AutoPay™ enables efficient workflow, eliminates wire delays, reduces human error, and provides advanced security.
- Settlement options – Select the trade settlement channels right for you. Options include clearing and direct to funds.

Integration for maximum efficiency

Technology integrations make it easy for treasury teams to achieve an end-to-end workflow for maximum visibility in managing cash and investments. ICD has two decades of experience integrating ICD Portal's open architecture with every major technology in treasury's ecosystem, including treasury management systems, banks, ERPs, data providers, reporting and analytic solutions, other trading platforms and more, at no cost to our clients. In fact, 80% of ICD clients have integrated ICD Portal into their other treasury systems using APIs and traditional methods to maximise the efficiency of their cash and investment workflows.

Exceptional service and reputation

Wrapped around ICD's award-winning offering is a high-touch service organisation and a Global Trade Desk spanning nine time zones. ICD is well known and respected for its client service, earning it a 99% client service rating of excellent/above average and a 99% client retention rate. This standard has been set and openly endorsed by ICD clients.

ION TREASURY

ION focuses exclusively on software and data to digitise and automate mission-critical workflows for capital markets trading, and treasury and risk management; high-value analytics and insights for decision-making; and strategic consulting to financial institutions, central banks, governments, and corporate organisations.

Since 1999, we have provided financial technology solutions and services that simplify complex processes through automation, boost efficiency, and put greater intelligence in the hands of decision-makers.

Our business has grown?through acquisitions, assembling some of the best financial technology companies. Today, ION is one of the world's largest financial software and data firms. Superior?technology, best practice service levels, and market-defining intelligence are our hallmarks.

We are passionate about building long-term partnerships with our customers, helping transform their business through continuous innovation.

Our ION Treasury division provides technology for treasury's diverse and changing needs. We offer unique treasury and risk management solutions to organisations of all sizes, offering both on-premises and cloud options. Our award-winning solutions help customers to manage liquidity at any scale, in any country, while mitigating financial, regulatory, and operational risks. Together with a global community of over 1,100 clients, we are shaping the future of treasury and risk management technology.

Kyriba empowers CFOs and their teams to transform how they activate liquidity as a dynamic, real-time vehicle for growth and value creation, while also protecting against financial risk. Kyriba's pioneering Active Liquidity Network connects internal applications for treasury, risk, payments and working capital, with vital external sources such as banks, ERPs, trading platforms, and market data providers. Based on a secure, highly scalable SaaS platform that leverages artificial and business intelligence, Kyriba enables thousands of companies worldwide to maximise growth opportunities, protect against loss from fraud and financial risk, and reduce costs through advanced automation. Kyriba is headquartered in San Diego, with global offices in the Americas, Europe, Asia Pacific, and other major locations.

We are Legal & General Investment Management (LGIM), the asset management business of Legal & General Group. Our purpose is to create a better future through responsible investing. We strive to achieve this through a strong sense of partnership with our clients, working together to achieve positive long-term outcomes. We draw on industry-leading expertise to innovate constantly across public and private assets, index and active strategies. And we are a responsible investor, rising to the challenges of a rapidly changing world.

On behalf of savers, retirees and institutions worldwide, we manage £1.2tr. in assets.* However, we recognise that our significant scale and stature, and prospects for growth, are only possible courtesy of highly satisfied clients.

Being part of Legal & General grants us a unique strength. Everything we do is informed by our parent group's vision of Inclusive Capitalism, which seeks to share the benefits of economic growth among as many people as possible.

At the same time, we are a unified business that is modern, dynamic and restlessly innovative on behalf of our clients. Our investment strategies cover a broad array of asset classes and styles, including equities, bonds, property and alternatives, as well as multi-asset funds.

LGIM is at the forefront of global index fund management. We are also leading developments in investment solutions for defined benefit and defined contribution pension schemes.

We are truly international, present where our clients need us – from Hong Kong, to major European financial hubs, to Chicago. Our teams around the world are highly dedicated, professional and collaborative and we draw strength from our diversity of talent.

Our US business, Legal & General Investment Management America, is a registered investment advisor, specialising in fixed income, liability-driven investment solutions and index capabilities for the US institutional market.

We are clear on what we stand for and our commitment to inclusivity anchors our behaviours. Driven by our executive team, diversity and inclusion are embedded in LGIM's culture, from the way we recruit, develop and connect with our employees, to our commitment to responsible investing.

**Source: LGIM internal data as at 30 June 2023. The AUM disclosed aggregates the assets managed by LGIM in the UK, LGIMA in the US and LGIM Asia in Hong Kong (2018-2019 only). The AUM includes the value of securities and derivatives positions.*

Welcome to LSEG Data & Analytics, one of the world's largest providers of financial markets data and infrastructure. With over 40,000 customers and 400,000 end users across approximately 190 markets, we are an essential partner to the global financial community and redefining the future of data in financial services. We enable customers to draw crucial insights through data, feeds, analytics, AI and workflow solutions.

With our unique insights seamlessly integrated into your workflow, you can identify opportunity and seize competitive advantage.

MillTechFX is an FX-as-a-Service (FXaaS) pioneer that enables corporates, treasurers, and fund managers to access multi-bank FX rates via an independent marketplace.

Its end-to-end solution automates FX workflows and ensures transparent best execution to save clients time and costs. The fixed fee service model includes third-party transaction cost analysis to ensure total transparency.

MillTechFX harnesses the purchasing power of Millennium Global, one of the world's largest currency managers with c. $18.5bn AuM, which transacts over $800bn in annual FX volume*. Via the MillTechFX marketplace, clients can directly access preferential FX rates and credit terms from up to 15 Tier 1 counterparty banks.

MillTechFX has raised $30m from investors since launching in 2019, and clients executed approximately $50bn in FX volume in 2021 on its easy-to-use platform.

Headquartered in London, the world's largest FX hub, MillTechFX is authorised and regulated by the UK's Financial Conduct Authority (FCA), registered with the USA's National Futures Association (NFA) and Canada's Financial Transactions and Reports Analysis Centre (FINTRAC). Our European subsidiary, MillTechFX (Europe) SAS is authorised as an Investment Firm by The Prudential and Resolution Control Authority (ACPR in France) and authorised and regulated by The Financial Markets Authority (AMF).

Morgan Stanley is a leading global financial services firm providing a wide range of investment banking, securities, wealth management and investment management services. With offices in more than 41 countries, the Firm's worldwide employees provide a wide range of investment banking, securities, investment management and wealth management services to clients including corporations, governments, institutions and individuals.

Morgan Stanley Investment Management (MSIM) is a global investment manager delivering innovative, highly relevant investment solutions for clients, consultants, and partners across the globe. MSIM shows unwavering commitment to investment excellence, diversity of perspective, and differentiated values. It has distinctive and highly complementary strengths in investment management and distribution. MSIM has managed money market assets since 1975 and is dedicated to offering clients unique investment solutions through multi-currency institutional money funds and highly customised products. It is a leader in responsible investing and committed to providing portfolio management expertise that helps clients meet specific environmental, social and governance (ESG) goals. The Global Liquidity Solutions team, which has over $375bn* in assets under management, is comprised of highly experienced professionals across Europe, the U.S. and Asia.

** As of 30/09/2023*

NOMENTIA

Nomentia is a European cash & treasury management solution provider with over 30 years of experience and more than 1400 clients globally. With Nomentia's Software-as-a-Service, you can build your cash and treasury management technology stack from scratch or add solutions to complement your existing technologies. Nomentia's system offers solutions for payment automation, payment fraud and error prevention, payment reconciliation, liquidity management, cash flow forecasting, predictive analytics, cash visibility, bank account management, bank connectivity management, trade finance, in-house banking, risk management, FX risk, and treasury workflows and reporting.

PICTET 1805 Asset Management

The Pictet Group is a partnership of eight owner-managers, with principles of succession and transmission of ownership that have remained unchanged since foundation in 1805. It offers wealth management, asset management, alternative investment solutions and related asset services. With USD 657bn in assets under management or custody as at 31 December 2022, Pictet is today one of the leading Europe-based independent wealth and asset managers for private clients and institutional/corporate investors. Pictet is also one of the best rated banks in the world: AA2 with Moody's and AA- with Fitch. Headquartered in Geneva, Switzerland, and founded there, Pictet today employs over 5,300 people. It has 30 offices worldwide.

An Bradán Feasa SALMON SOFTWARE Dedicated Treasury Management

Since the firm's inception in 1985, Salmon Software has flourished, and over the past three decades this innovative company has worked hard to create solutions that meet its clients' ever evolving needs.

As part of this focus, throughout the firm's life its Treasury Management System (Salmon Treasurer), its flagship product, has evolved to reflect the technological innovation and increasingly complex global financial systems that have paralleled the company's 38-year history, making it one of the most sophisticated treasury tools in the world.

This achievement is due to the expertise and dedication of a highly skilled, multi-disciplined development and support team who focus on producing a world-class product. The firm's ongoing commitment to R&D and innovation has resulted in the development of a range of new cloud and SaaS products.

Headquartered in Dublin, today Salmon Software successfully serves global markets from international offices in Dublin, London, sales offices in Brazil and Australia and a customer service centre in Olomouc in the Czech Republic.

Each and every one of the firm's systems are designed to record and manage a variety of instruments traded on the world's financial markets including money markets, foreign exchange, debt and derivatives, credit facilities, trade finance etc.

The firm is also able to integrate its systems with all market providers such as rates vendor partners such as Refinitiv, all major banking systems, all confirmation matching systems and all ERP systems. This enables Salmon Software to offer sophisticated real time information, much of it in the form of interactive dashboards. This facilitates faster and better decision making about the use of corporate funds and a significant reduction in the potential for fraud.

Thanks to this innovative array of solutions and services, Salmon Software has gained an impressive portfolio of clients over the years, including global giants such as Fidelity, Securitas, Saint-Gobain, DP World as well as international blue-chip Irish market leaders including CRH, Ryanair, Greencore, Fexco and many others.

Salmon Software is a treasury management software provider with over 38 years' development in a single system. Treasury management is a highly specialised financial discipline and requires a deep knowledge of the complex financial instruments and practices used by the world's major corporates.

Looking to the future, Salmon Software will continue to develop unique systems and enhance its already impressive solutions offering, following in the footsteps of a range of new modules recently released. These include sophisticated interactive and dynamic dashboards of global financial data collected by Salmon Treasurer from a variety of disparate systems around the globe.

These dashboards are incorporated with the firm's Big Data module, and the combination of these two technologies enable corporate treasurers through the Salmon Treasurer application to have real time graphs and pictures of their data which facilitates better decision making and reduction in their exposure to fraud.

Ultimately, Salmon Software's mission is to be the world's leading provider of treasury management systems, and this will remain the firm's ongoing focus as it looks towards an exciting future filled with possibilities.

STATE STREET GLOBAL ADVISORS

For four decades, State Street Global Advisors has served the world's governments, institutions and financial advisors. With a rigorous, risk-aware approach built on research, analysis and market-tested experience, we build from a breadth of index and active strategies to create cost-effective solutions. And, as pioneers in index, ETF, and ESG investing, we are always inventing new ways to invest. As a result, we have become the world's fourth-largest asset manager* with US $3.62tr.† under our care.

**Pensions & Investments Research Center, as of 12/31/21.*

†This figure is presented as of March 31, 2023 and includes approximately USD$65.03bn of assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated. Please note all AUM is unaudited.

treasury spring

Smart cash investing, made easy.

TreasurySpring's unique Fixed-Term Fund platform enables holders of large cash balances to minimise risk and maximise returns, providing simple, digital access to a diverse menu of proprietary cash investments.

Through a single, streamlined onboarding process, investors can access more than 650 term cash investment options. Ranging from 1 week to 1 year and across 7 currencies.

We have built leading infrastructure and technology so our customers don't have to worry about the significant investment of time and money required to gain access to leading global banks, governments and corporations at the click of a button.

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