



 The Hackett Group[®]
World Class Defined and Enabled

World-class Digital Order-To-Cash: Transforming Accounts Receivables For the New Normal



Emagia is a Leader in Digital Order-to-Cash

Our Mission

“

To maximize the financial performance of our customers by driving efficiency and intelligence in the order-to-cash operations .

”

Our Customers



OTC Industry Affiliations



Implementation and BPO Partners



Technology



Recognized as the LEADER in Digital Order-to-Cash

Gartner®

IDC | ANALYZE THE FUTURE

ABERDEEN GROUP

FORRESTER®

\$850B+
In AR

90
Countries

25
Languages

CFO
Tech Outlook

CIO TOP 10
APPLICATIONS VIRTUAL ASSISTANT SOLUTION PROVIDERS

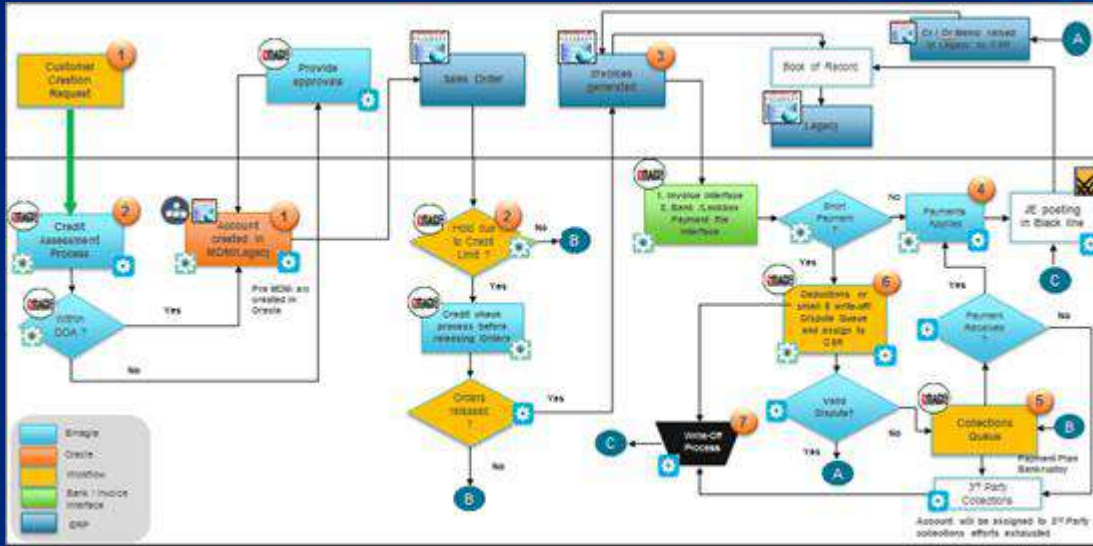
CFO TOP 10
Tech Outlook SOLUTION PROVIDERS FINTECH

CIO TOP 10
APPLICATIONS ORACLE SOLUTION PROVIDERS

End-to-End Integrated Global Digital Order-to-Cash Platform



Emagia Gold Process and Transformation Methodology



85%
Touchless

Emagia World-class AR Performance Proven Track Record

85%

or higher current AR performance

85%

or higher cash application auto-match rates

85%

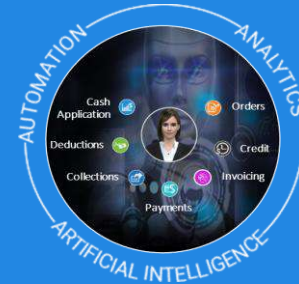
or higher Credit approval cycle acceleration

30%

or higher DSO reduction

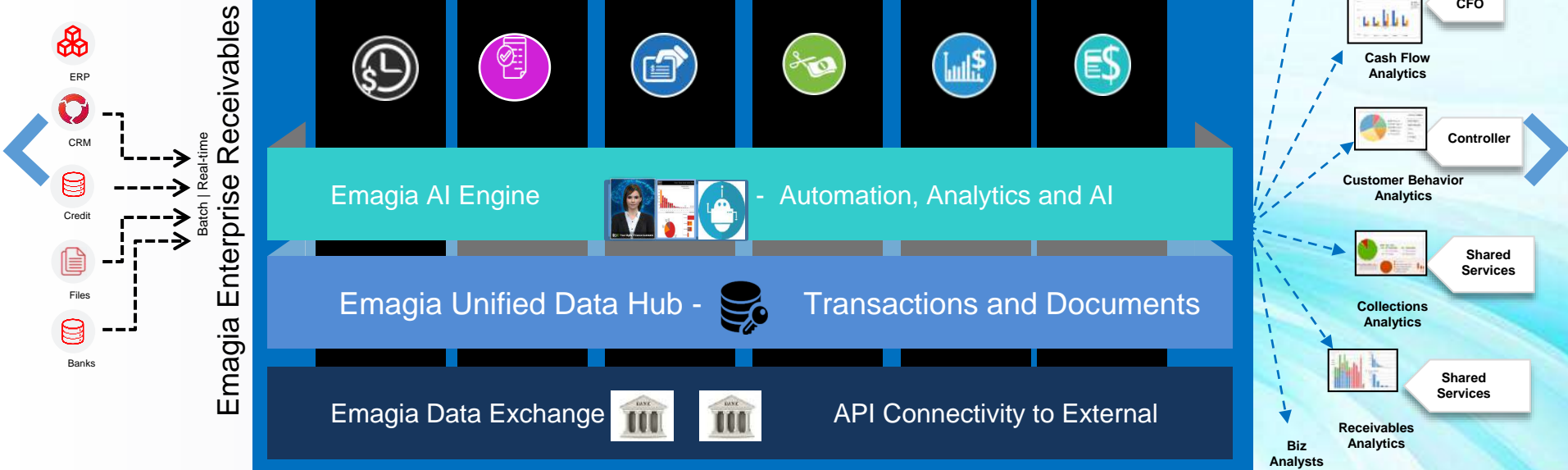
50%

or more Global FTE redeployment



Emagia AI-Driven Global Order-to-Cash Cloud

GLOBAL AT CORE – Multi ERP, Multi-Language. Multi-Currency. Multi-time zone



Power of Digital Trifecta
“Automation, Analytics and AI”

Intelligent. Hyper Efficiency.
Self-Service. Touchless.



Emagia Automation – Eliminating Manual Tasks for Touchless Operations



Bots for Enhancing Productivity

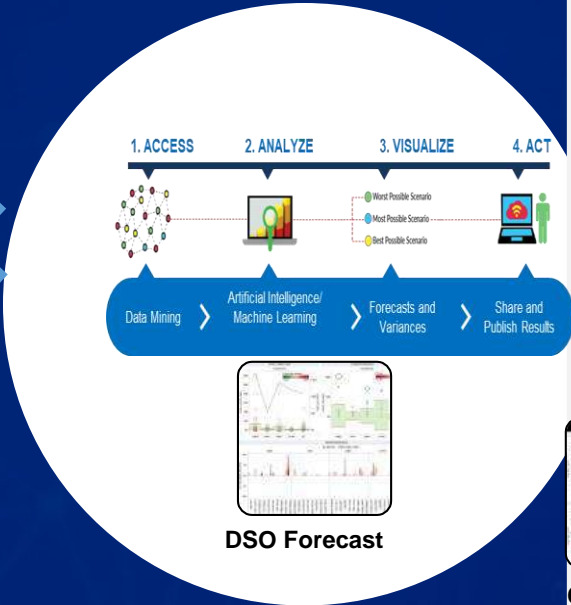
Data
Gathering
From
external sites

200+
Bots and BPM

- Business License Bots
- Resale Certificate Bots
- Contractor License Bots
- Liens/Bonds Bots
- Bots for PODs
- Bots for Bank Statements Gathering
- Bots for EDI/MT940/BAI2 Feeds
- Workflow System
- Strategy and Rules Engines



Emagia Analytics – Empower Intelligent Data-driven Operations



Collections

Receivables

Cash Application

Risk By Region

DSO Analysis

Overdue Analysis

Cash Flow Forecast

Dispute Analysis

Risky Customer Alerts

- Global O2C Insights Hub
- Over 100+ Insights
- CFO Dashboard
- Controller Dashboard
- Credit Dashboard
- AR Dashboard
- Collections Dashboard
- Cash Application Dashboard
- Cash Forecasting Dashboard
- Predictive Payment Dates
- Predictive Dispute Reason
- Predictive Invoice Match
- Prescriptive Next Task
- Prescriptive Work Flow

Emagia AI – Augment with Digital Work Force

Most Advanced Enterprise Digital Finance Assistant

Cognitive AI that has voice, vision and vice

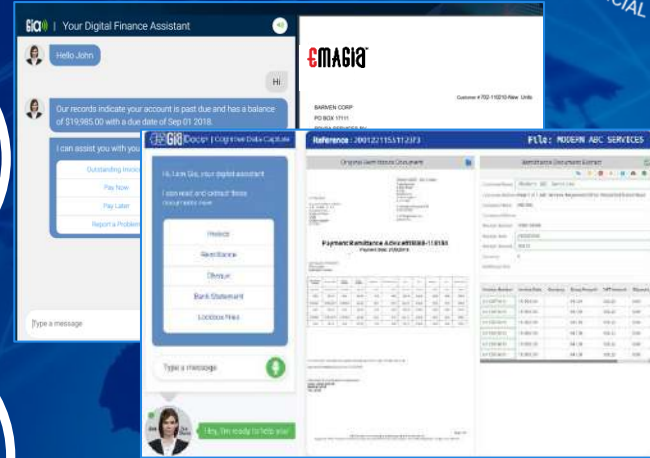


Gia)))



24x7
Customer
Interaction

100+
O2C
Skills

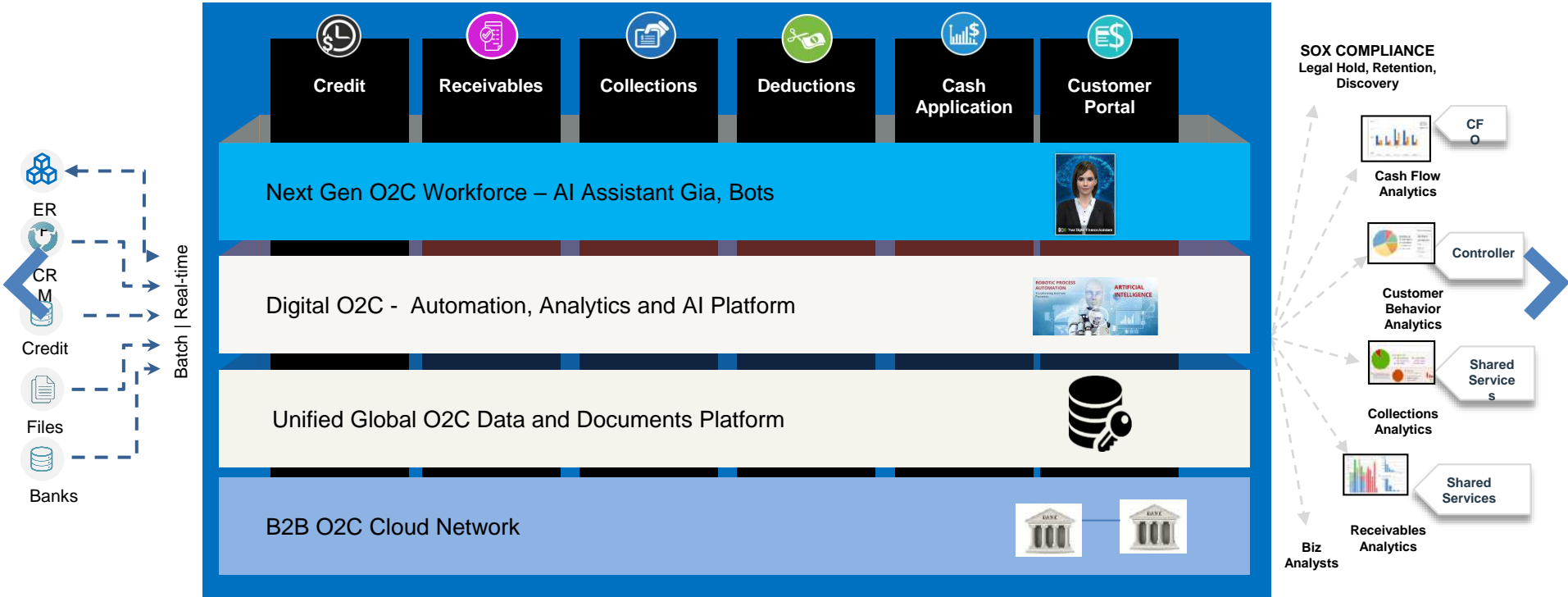


- Over 100+ Skills – Voice, Text, Vision/OCR, Mobile
- Gia as a Credit Assistant
- Gia as a Collections Assistant
- Gia as Disputes Resolution Assistant
- Gia as Cash Application Assistant
- Gia as Cognitive Data Capture Assistant
- Gia as Customer Financial Service Assistant
- Gia as Finance Executive Assistant

Assistant for every one involved in order-to-cash

EMAGIA™

AI-Powered Order-to-Cash Cloud Platform



Global Digital Receivables Portfolio



Multi-level parent/Child Hierarchy

Connect customers at multiple hierarchy levels



Customer Master Rollup/down

Consolidate credit risk, AR, statements, invoices, disputes and payments



Customer Master creation

Interface to ERP / MDM to create Customer Master



Customer Master Updates

Update key customer credit risk attributes based on periodic and adhoc credit reviews.



Customer and AR 360 - One Global Data and Documents

 The Hackett Group®

World Class Defined and Enabled





AI-Driven Credit



Digital Mobile Responsive Credit Applications

Mobile self-service forms with digital signatures and digital reference checks



Prepackaged RPA Verification Bots

Hyper-efficiency with business validation, license verifications, resale tax certificates



Integrated Credit Bureaus Reports

DnB, Experian, CreditSafe, Credit Risk Monitor



Credit Scoring and Auto Decisions Engine

Highly configurable scoring model and risk-based decisions



Delegation-of-Authority

Automate approval workflows



Digital Finance Assistant for Credit

Customer facing and credit rep support 24X7

 The Hackett Group[®]

World Class Defined and Enabled



 EMAGIA[™]

AI-Driven Collections



Digital Invoicing and Payments

Shift from EIPP to DIPP and bots assisting posting of the invoices to customer portals



Predictive Collections and Strategy Automation

Data-driven personalization in collections strategy and correspondence



AI-Powered Digital Assistants

Powering Collection process with direct customer reach and enabling payments, promises and dispute resolution



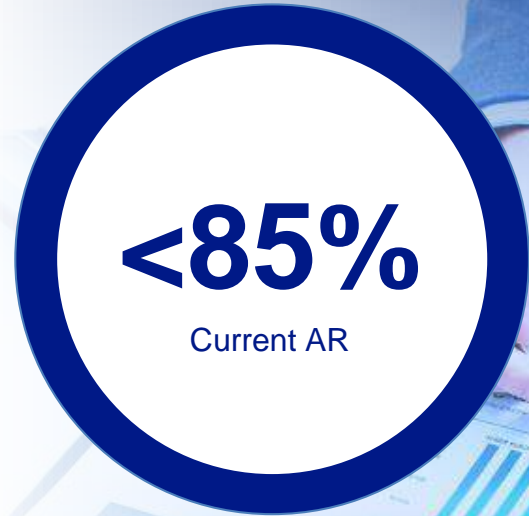
Prioritized Task List

Strategy-based communication



AR Portfolio Alerts and Third Party Integrations

Credit Risk Monitor, NCS – Liens and Bonds, Bankruptcy Monitoring



AI-driven Deductions



Auto Deductions Processing

Auto identify short pay, over pay with reason codes, auto generate and resolve disputes through workflow



Dispute Reason Codification

Best practices reason codes, consolidated from 230+ reason codes to 30+ reason codes



Automated workflow approvals

Routing based on dispute reason codes. Graphical workflow process. Audit trails.



Rules-based bulk claims processing

Auto-approvals based on business decisions



Digital Assistant to Resolve

Reminders and communication on resolution process



AI-Driven Cash Application



Cognitive Remittance Data Capture

Eliminate manual lockbox, email remittance PDFs and bank statements payments document handling



Banking Integrations

BAI2, MT940, EDI data formats. Integration with over 170+ banks, Open banking APIs



Global Payor/payee Relationship

Complex third-party payment relationships



AI-driven Cash Application

Hundreds of rules and machine learning. Auto match invoice-to-receipts and posting automation



Digital Assistant for Cash Application

Automated digitally assisted requests to customers to collect remittance information



AI-Driven Customer Portal



Customer Portal EIPP

Onboarding new customers for all customer financial transactions



Global Payments – 135 countries

Credit Card, ACH Debit, Wire Payments, Chase Paymentech, Visa, Master, PayPal, CardX



Gia 24X7 Digital Assistant

Digital assistant for customer account interactions – remittance, payment, statements



Account Statements

Automated digitally assisted requests to customers to collect remittance information



Split payments, Discounts capture

Straight through invoice-to-receipts matching and posting automation



Reporting and Dashboards



Global O2C Insights Hub

CFO Dashboard, Controller Dashboard and All insights across all processes



Multi-dimensional visual drill-down

Analyze across business units, regions and other dimensions



Standard Dynamic Reporting

Tools for auto creation of report



Customized Reporting

Best In class reports with governance structure



Cash Flow Forecast



Cash Application



Credit Risk Analysis



Collections Efficiency



Customer Payment



DSO Analysis



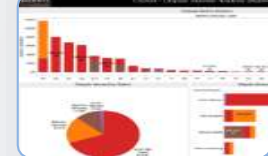
AR Aging Analysis



Risky Customer Alerts



Credit Utilization



Disputes Analysis

Convatec: Large Global CPG: Global Shared Services

\$4B Receivables in Emagia till date	300,000 Digital Transactions	58 Business Units	44 Countries
6 Languages English, German, Spanish, Portuguese, French, Italian	170+ Banks Lock Box Remittance	20k+Users Collections Dispute Resolvers Cash Application	Unified Global Customer Master Parent/Child Hierarchy Invoice Consolidation
100% Customer Touch	100% Risk Assessment	100% Analytical Insights	

>85%

Current AR

>90%

Auto-cash



◀ **Improving the Lives
of the People
We Touch** ▶

Convatec - Introduction

Medical Products

About

ConvaTec Group plc is an Anglo-American medical products and technologies company, offering products and services in the areas of wound and skin care, ostomy care, continence and critical care and infusion devices. It is listed on the London Stock Exchange and is a constituent of the FTSE 250 Index. [Wikipedia](#)

CEO	Paul Moraviec
FOUNDED	1978
HEADQUARTERS	United Kingdom
WEBSITE	convatecgroup.com
EMPLOYEES	9,914

What we do

We develop and produce innovative medical solutions that give people living with chronic conditions confidence, freedom and mobility. We offer a range of services to support these people and the healthcare professionals who care for them.

We market and sell our solutions and services in four categories: Advanced Wound Care, Ostomy Care, Continence & Critical Care and Infusion Care. We have a direct presence in certain markets and an extensive network of wholesalers and distributors.

Our vision

Pioneering trusted medical solutions to improve the lives we touch.

Our values

Our vision and values shape our culture and behaviours, determine how we do business and underpin our strategy.



Our categories

Advanced Wound Care ("AWC")

Advanced dressings for the management of acute and chronic wounds resulting from ongoing conditions, such as diabetes, and acute conditions resulting from traumatic injury and burns.



Ostomy Care ("OC")



Devices, accessories and services for people with a stoma (a surgically-created opening where bodily waste is discharged), commonly resulting from causes such as colorectal cancer, inflammatory bowel disease and bladder cancer.

Continence & Critical Care ("CCC")



Products and services for people with urinary continence issues related to spinal cord injuries, multiple sclerosis, spina bifida and other causes. Plus devices and products used in intensive care units and hospital settings.

Infusion Care ("IC")



Disposable infusion sets for diabetes insulin pumps, or for pumps used in continuous subcutaneous infusion treatments for conditions such as Parkinson's disease.

Scale of our business

Group reported revenue by category

1. Advanced Wound Care: 28.9%, \$546.8m
2. Ostomy Care: 27.8%, \$525.9m
3. Continence & Critical Care: 26.3%, \$498.6m
4. Infusion Care: 17.0%, \$323.0m



Group reported revenue by geography

1. EMEA: 38.6%, \$731.4m
2. Americas: 53.6%, \$1,015.4m
3. APAC: 7.8%, \$147.5m



Number of countries we operate in: 100+

Key markets: 12

Number of employees: 9,900+

Number of manufacturing operations: 9

Convatec – 2020 Transformation Goals



Simplifying our business

We have introduced a more customer-centric and agile operating model to improve accountability and strengthen our organisation.

Progress in 2020

We are migrating from a complex country-led matrix organisation to a new operating model which offers both improved proximity to the patient and caregivers supported by global functional expertise. This new model is now being embedded across the organisation. It is testament to the adaptability of our people that they have adopted these changes whilst also adapting to remote working during a pandemic.

During the year we also successfully created a new Global Business Services ("GBS") centre in Lisbon, Portugal. Established in May the team includes over 140 people, who have been onboarded remotely during the pandemic. Notwithstanding these unusual circumstances we have now successfully transitioned the majority of our historic shared services locations into this single hub in Lisbon (together with transactional finance activity from certain European markets and some IT service support). This newly formed team has already identified and delivered further process improvements, sharing best practice and driving efficiencies, including the use of robotics.

Priorities for 2021

During 2021 we will continue to migrate activities into the GBS and embed our finance business partnering approach for optimised insight. We will also look to streamline processes in additional areas during the year.



Operating model transformation

New "GBS" in Lisbon

Insource Transition

Digital O2C Transformation

Global Process Harmonization

- Shift from country-led matrix
- New customer-centric model
- Improve accountability

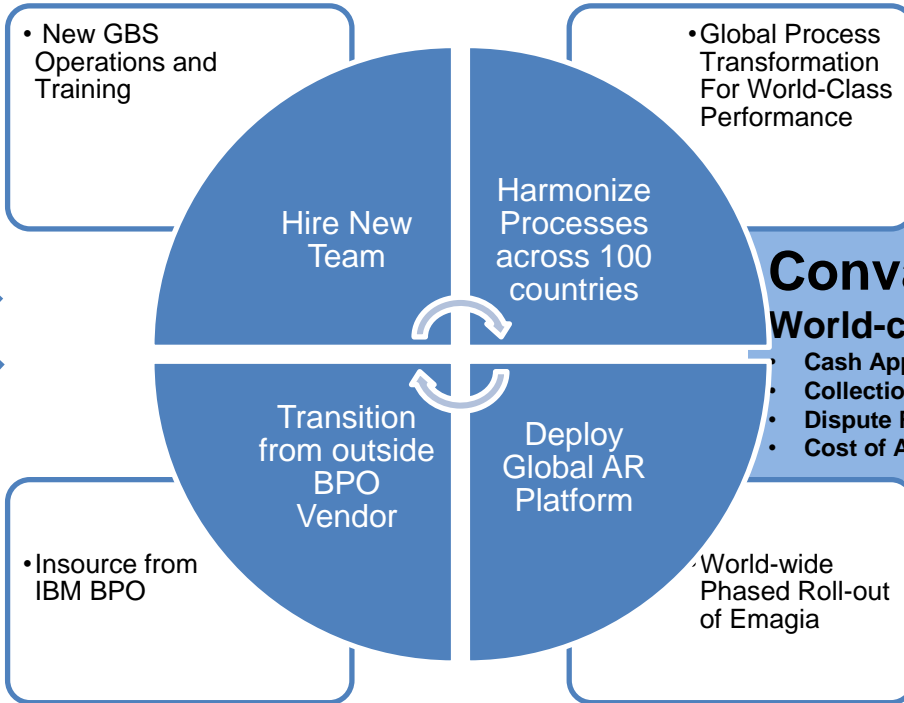
- Established operations center
- Focus on finance and IT
- Ramp zero to 140 personnel

- Transition from BPO vendor
- Shifting operations inward
- Process and operations focus

- Leverage new generation digital
- Drive automation for efficiency
- Derive insights for data-driven

- Leverage new generation digital
- Drive automation for efficiency
- Derive insights for data-driven

Convatec GBS - Order-to-Cash Transformation Goals



Convatec AR Transformation Goals

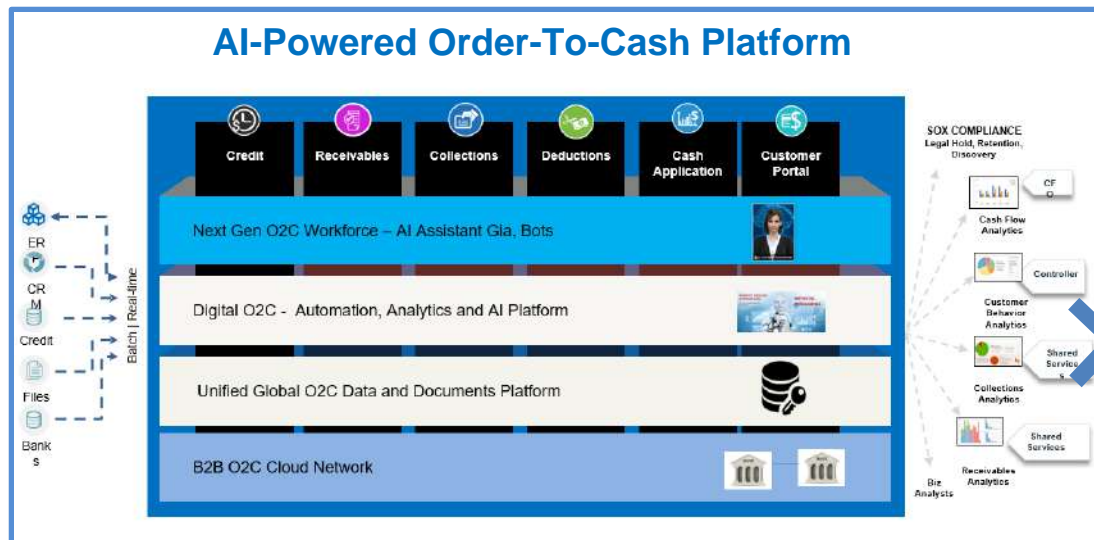
World-class Global Operations Performance

- Cash Application – 90% touchless, same day posting
- Collections – 85% and above current AR
- Dispute Resolution – Less than a week
- Cost of AR operations – Reduce by 40%

Convatec GBS - Order-to-Cash Transformation Goals

Digital Transformation with Emagia

- One integrated platform for global receivables management – receivables, cash application, collections, disputes management, business insights, Gia digital AR assistant
- Cloud Software-as-a-Service
- Primary ERP SAP, World-wide
- 1M transactions per year
- Customer communication in 15 languages
- Remittance documentation in 15 languages
- 16 bank accounts and 45 currencies
- Omni-channel inputs – email, customer portal, banks, documents, excel, checks, lockbox images, remittance advices



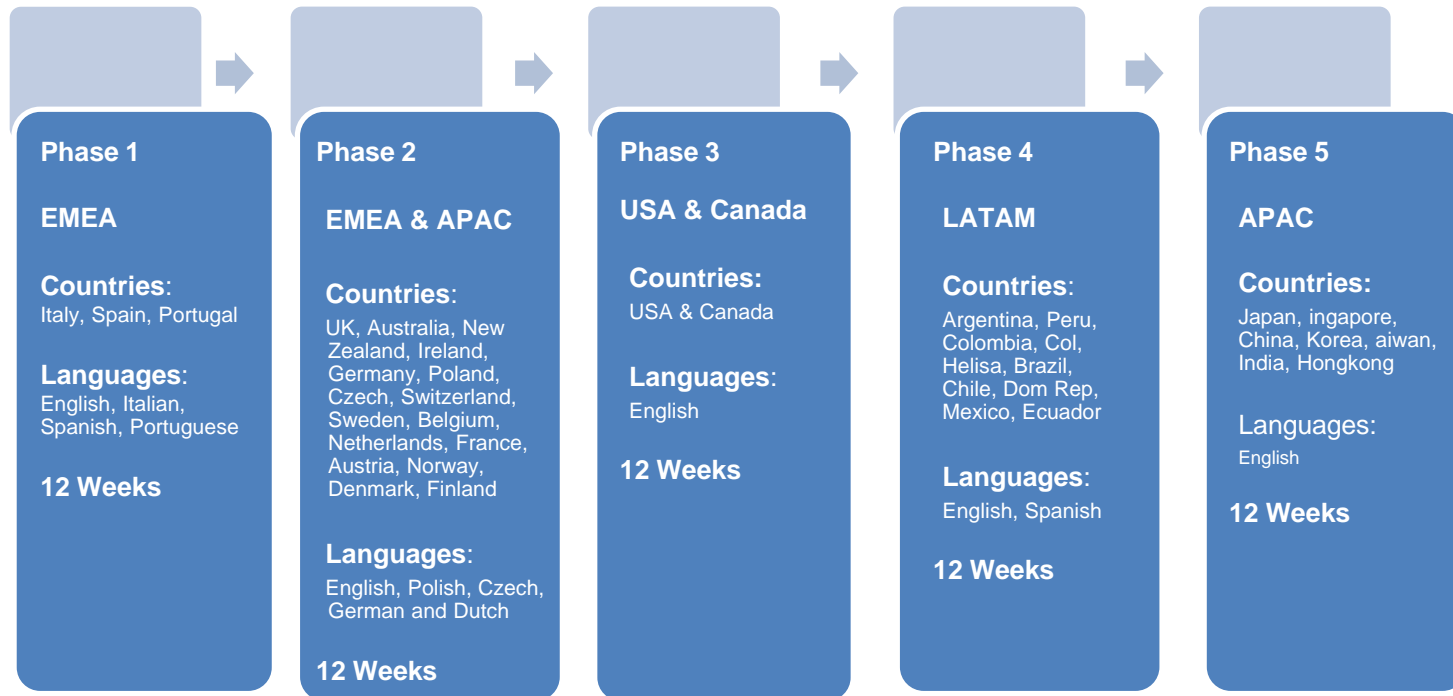
Convatec AR Transformation Goals

World-class Global Operations Performance

- Cash Application – 90% touchless, same day posting
- Collections – 85% and above current AR
- Dispute Resolution – Less than a week
- Cost of AR operations – Reduce by 40%

Convatec GBS - Emagia Global Deployment Plan

Global Digital Transformation Journey - World-wide Country-wise 15 months - 5 phases

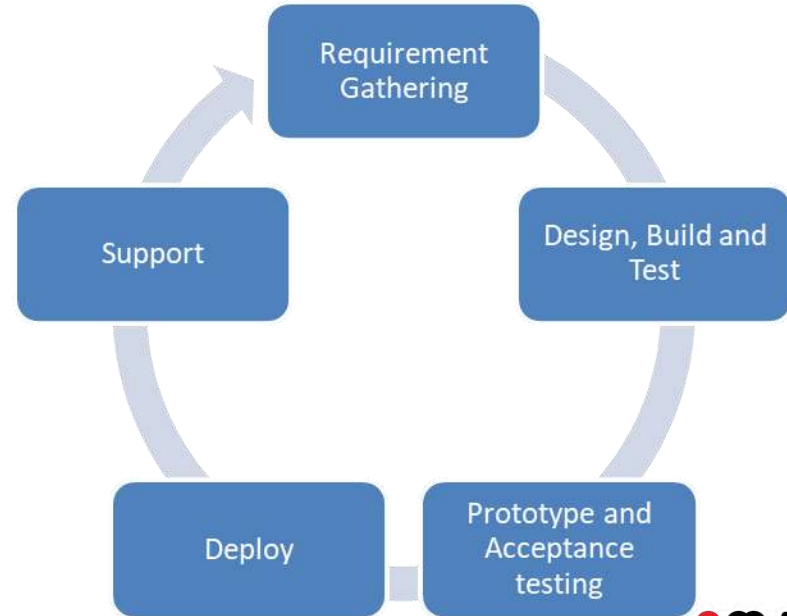


Convatec GBS - Emagia Implementation Methodology

Milestone based Delivery Approach

- Planning and Project Management
- Requirements Definition
- Design and Configure
- Build, and Test
- Train the trainer
- Prototype and User Acceptance
- Deploy
- Go live

Phased Implementations for Global Delivery



Convatec GBS Transformation Journey During Pandemic



Unknown Risk Factor After The Project Kick-Off

All Remote Teams – Working from Home

- Convatec GBS Operations
- Convatec IT Teams
- Emagia Implementation Teams
- IBM BPO and IT teams
- Steering Committees

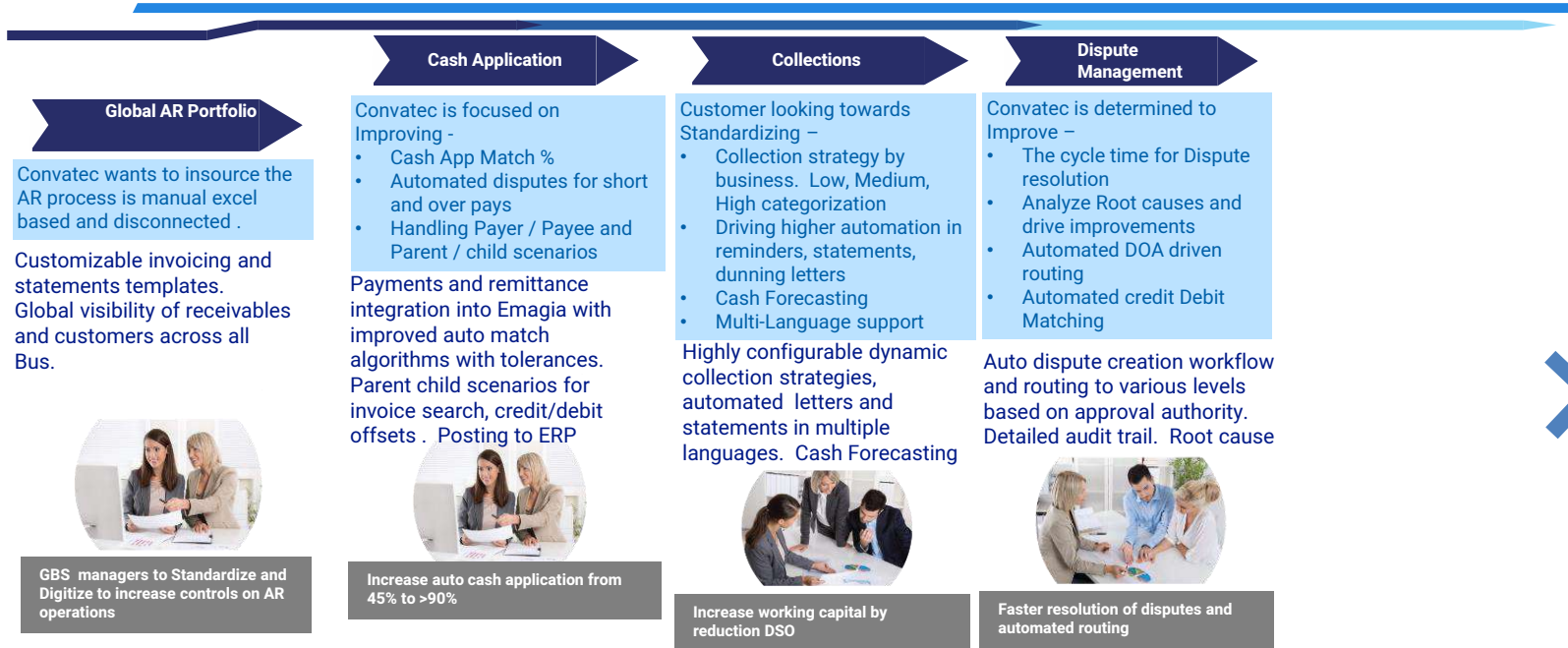
Convatec GBS – Global AR Process Transformation Journey Map

Meet Srini Dusi, GPO & Process Standardization Leader

GPO is the O2C Global Architect.

His drive is towards bringing Global visibility on the enterprise performance.

- Automate manual processes and reduce redundancies
- Achieve better cost efficiency
- Standardize processes across entities
- Improve controls
- Provide near real time access to financial information across the organization



Solution Enablers

- Workflow - configurable
- RPA
- AI
- Analytics

- AI – ML & DL
- Algorithms
- RPA
- Analytics

- Workflow - configurable
- Analytics
- Configurable business rules

Convatec GBS - Global AR Portfolio



Global AR Views - Multi-level parent/Child Hierarchy

Connecting customers at multiple hierarchy levels



Customer Master Rollup/down

Consolidate AR, statements, invoices, disputes and payments



Customer Master creation

Interface to SAP for Customer Master



Customer Master Updates

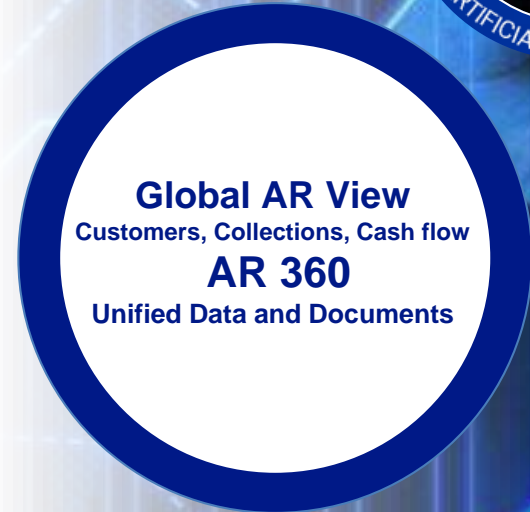
Centralized info of customer from collections, customer service and sales



Customer and AR 360 - One Global Data and Documents



World Class Defined and Enabled



Convatec – AI-Driven Order-to-Cash For Global Business Services

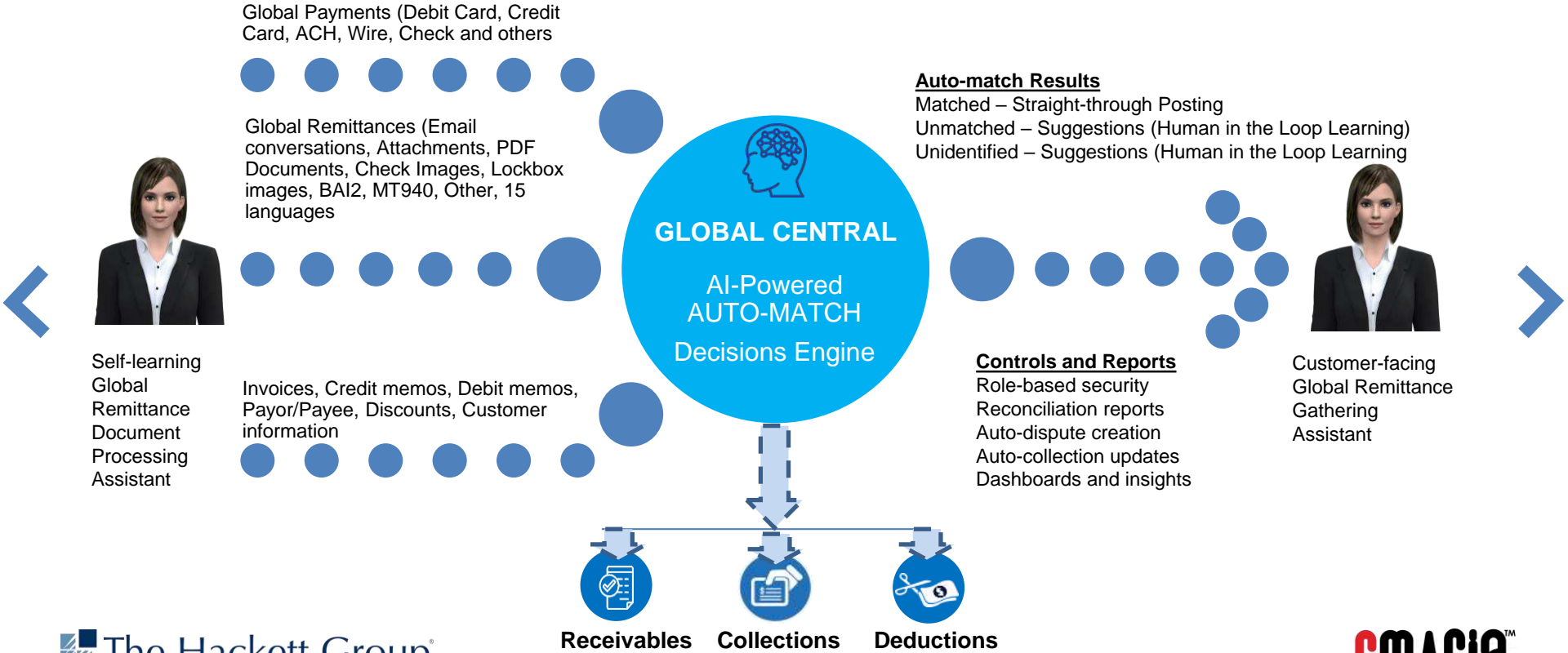
Digital Transformation Journey Cash Application - Before State

- Highly manual process, despite the current level of standardization i.e. disputes, discounts and partial payments
- Low level of accuracy in the auto cash application process
- Siloed auto-cash tools (Auto-rek, Paring and SAP deductions matching)
- Lack of a design to address the end to end needs
- Low penetration of remittance advice in multiple languages
- High reliance on collectors for resolution.
- Low level of automation

BEFORE

Region	Automatic Applied	Manual Applied
US	59%	41%
Canada	1%	99%
EMEA	3%	97%
LATAM	0	100%
APAC	0%	100%

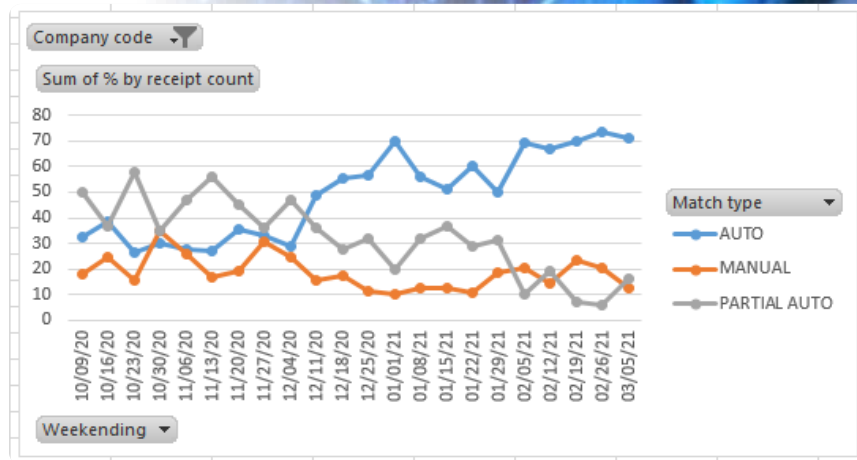
Convatec – AI-Driven Cash Application For Global Business Services



Convatec – AI-Driven Order-to-Cash For Global Business Services

Digital Transformation Journey Cash Application – After State


- Payment and remittance data gathering – Email , Lockbox images, PDF remittances, Bank statements
- AI-driven document processing – OCR, data extraction and natural language processing in 15 languages
- Auto-matching algorithms for invoice-payments matching
- Exceptions handling – AI-driven suggestions on unmatched and unidentified
- Auto Cash posting algorithms
- Generate daily and monthly reconciliation reports
- Security access controls – role based, restricted credit card info access
- Business analytics dashboards and reports
- GIA Remittance letters – Useful for Unmatched receipts.



Convatec – AI-Driven Order-to-Cash For Global Business Services

Digital Transformation Journey Collections - Before State

- No visibility of global receivables portfolio
- No proper invoice distribution and EIPP capabilities
- No proper collections forecasting was available.
- Highly disconnected collections process between IBM BPO and Convatec collections teams and sales teams.
- AR Collect collections tool deployed in all medium-large scale countries.
- No account prioritization and clear escalation matrix.
- Lack of automatic dunning notices and customer statements

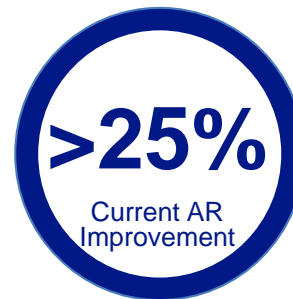
	On Time Payment %	
Market	2019	
France	54	
Americas	67	
UK	60	
Spain	63	
Italy	57	

Convatec – AI-Driven Order-to-Cash For Global Business Services

Digital Transformation Journey Collections - After State

- Full visibility of global receivables portfolio
- Collections forecasting is available.
- As a result of implementing more than 60 complex collection strategies, there is a clear prioritization of collections tasks for collectors based on risk/ageing and customer grouping.
- 15 languages in different regions
- Automatic dunning notices and customer statements based on criteria from customer profiles and invoices.
- Total FTE for collections was reduced from 25 to 14 due to the automations achieved.
- Collection efficiency increased by more than 25% after implementing the collection strategies.
- GIA Enquiry for Collectors – very useful to get information quickly.

	On Time Payment %		
Market	2019	2020	Improvement %
France	54	85	31
Americas	67	92	25
UK	60	78	18
Spain	63	88	25
Italy	57	79	22



Convatec – AI-Driven Order-to-Cash For Global Business Services

Digital Transformation Journey Disputes - Before State

- No visibility of global receivables portfolio
- No Single place to record disputes.
- Disputes process was not seamless, where Disputes were recorded in Zenshare, but were approved via emails and Manual Credits/Debits were performed in SAP.
- Extremely long turnaround for disputes resolution hence delaying collections.
- No Visibility for collections teams where disputes were in progress.
- Disputes resolutions often involves people from various teams and there was lack of co-ordination, causing long delays.
- There was no single stop-shop for auditing disputes and reports.



Convatec – AI-Driven Order-to-Cash For Global Business Services

Digital Transformation Journey Deductions - After State

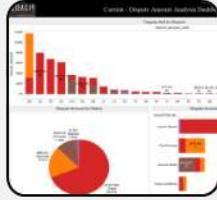
- Complete visibility of global receivables portfolio
- Emagia is one stop-shop to record disputes.
- Disputes process is now seamless, where Disputes were recorded and approved in Emagia and seamlessly integrated to SAP where Credit/Debits are automatically created.
- GIA approvals make it easy to approve disputes.
- Dispute resolution time has decreased significantly from a few weeks to under a week.
- Collections team now have full visibility of the disputes, Also collection strategies exclude invoices with disputes in progress.
- Collaboration with various teams is now via Emagia where Disputes can be routed to them and a full audit history is maintained with attachments.
- Complete reconciliation of Disputes is now available via reports and dashboards.



Reporting and Dashboards



Receivables



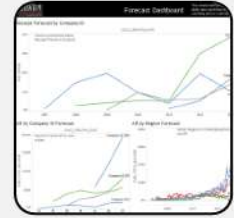
Collections



Cash Application



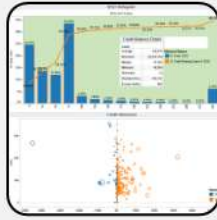
DSO Forecast



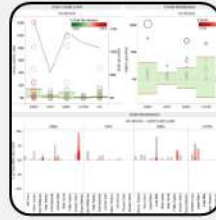
Cash Flow Forecast



Risk By Region



DSO Analysis



Overdue Analysis

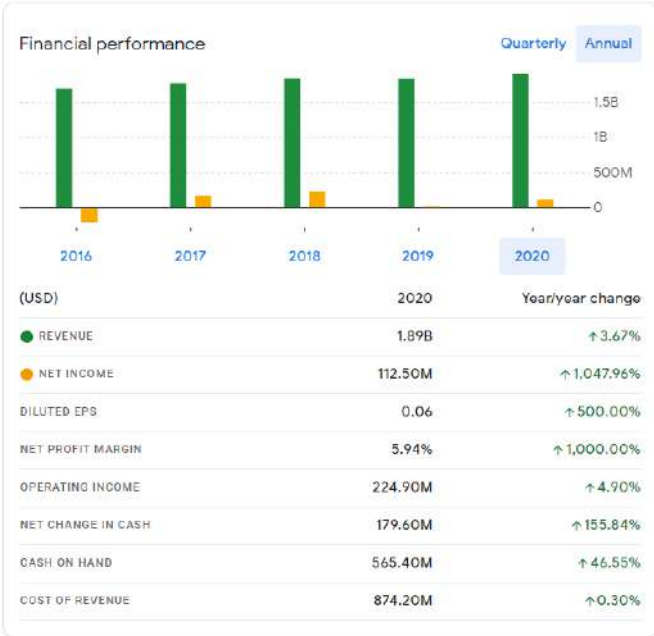


Dispute Analysis



Risky Customer Alerts

Convatec GBS - World-Class Order-to-Cash Performance



ConvaTec Group ADR

\$10.67 ↓12.18% -1.48 5Y

Apr 1, 8:10:02 PM UTC-4 - USD - OTCMKTS - Disclaimer

1D 5D 1M 6M YTD 1Y 5Y MAX



2020 Strategic AR Contributions

- Balance sheet Strengthening
- Decrease in DSO
- Cash on Hand increase
- Cost reduction in operations
- Control and compliance in operations

Advanced Wound Care ("AWC")



Ostomy Care ("OC")



Continence & Critical Care ("CCC")



Infusion Care ("IC")



Emagia Implementation Journey

- Implementation is successful and achieved all the planned goals
- Emagia Team is very knowledgeable and agile.
- Emagia have always focused on meeting the business needs.
- Emagia is a good choice for achieving world class Order to Cash Performance

• Q&A

- Next Steps - Digital Order-to-Cash Demo www.emagia.com
- [IDC Spotlight: Uncertainty Places AR in Frontlines for CFOs](#)

