

elevron



Secure Cash and Liquidity Management Solution

based on SAP

October 2022

In today's modern economy, cash and liquidity management is widely recognized as a critical component to successful financial management.

Information Technology (IT) plays a pivotal role in enabling cash and liquidity process automation within finance with home-grown internal systems requiring IT to evolve carefully to avoid disruptions to financial operations and routine treasury processes.

And at the heart of this transformation is the necessity for up-to-date, secure, trustworthy data, an accurate daily cash position, detailed liquidity position and data driven analysis.

Cash and Liquidity Management requires accurate, detailed, current data from the sub ledgers such as payables and receivables to determine the exact cash position of the organization. Therefore, it is critically important to implement effective and automated processes which are based upon the latest industry standards. Equally important, is the implementation of IT systems which guarantee the integration of up-to-date, accurate data originating from multiple source systems. The success of automated Cash and Liquidity Management processes is measured by the adherence to sophisticated industry standards and the technological security upon which it runs.

Elevron's pre-built, fully automated Cash and Liquidity Management solution offers strong integration into standard SAP utilizing the latest technologies and integration tools. Our solution allows organizations to "tailor-to-scale" based upon business priorities and critical Treasury requirements. The automated Cash Management and Liquidity solution truly differentiates itself through its advanced integration into SAP Bank Statements and Payments modules and its ability to guarantee accurate, consistent, and up-to-date data for advanced Treasury reporting and analysis.

Foundation of Successful Cash and Liquidity Management

1. **Speed and Flexibility** - savings in data processing between the organization and bank/s for importing statements.

Significant savings in data processing between the organization, bank/s, and the execution of payments.

Improving data quality and exception reporting. The automation of anomaly-based exception analysis and "on the fly" or "as and when required" reporting delivers flexible reporting and analysis to Treasury.

2. **Compliance and Control** - configuration of additional security layer for statement and payment files, no human or manual intervention required within the bank internet and banking systems to approve payments execution.

Highly regulated and compliant solution with built-in governance control gates. Standardized GDPR controls, consistent data leakage protections and adherence to industry roles and responsibilities best practices.

3. **Automation** - fully automated General Ledger (GL) postings and sub-ledgers.

Optimizing existing payment processes and implementing modern and innovative payment processes.

Fully automated calculation of daily and intraday cash positions at an organizational level.

Optimizing credit portfolio according to planned and realized liquidity as well as optimizing pricing and management of deposits placements.

4. **Collaboration** - fully centralized, secure signature and approvals process via qualified signature, scalable and reusable services. Built-in workflow.

Recommended Readiness Toolkit for SAP migration Projects and S4 Solutions

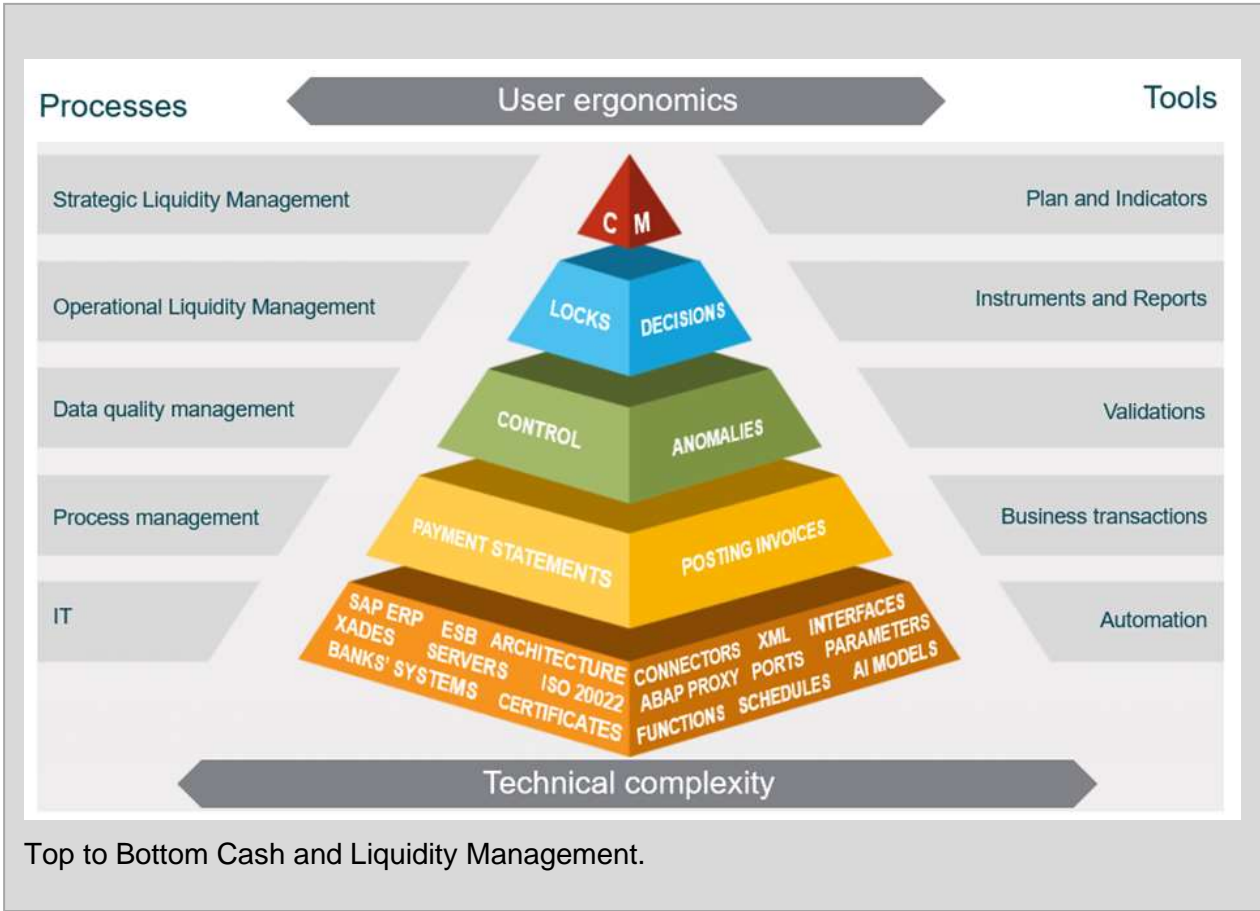
We, at **elevron's**, have pre-built a Cash Management and Liquidity solution which enhances standard SAP by using best-in-class technologies and specialized integration tools.

The automation of Cash Management and Liquidity is extended to SAP sub ledgers

such as payables and receivables modules with integration to bank/s utilizing ISO20022 standards and data exchange utilizing Factoring providers.

Our automated Cash and Management solution is used to verify the cash position of all the bank accounts and our Liquidity Management is used to verify the liquidity position of the sub-ledgers like Accounts payable and Accounts receivable.

The headlines of **elevron's** Cash and Liquidity Management solution are depicted in the vibrant layered pyramid diagram set out below:



Top to Bottom Cash and Liquidity Management.

The multi-layered pyramid shows the solution's advanced standard and comprehensive level achieved.

Top **red** layer resides Strategic Liquidity Management which depicts SAP based processes which are performed directly within the SAP Liquidity Management module. Strategic Liquidity Management is used to monitor cash flows and ensure the liquidity necessary to cover payment obligations. SAP Liquidity Management is integrated with other SAP components, such as long- and short-term liquidity forecasts, considering expected incoming and outgoing payments in financial accounting resulting from sales and purchases.

The **blue** layer on the pyramid represents the Operational Liquidity Management Layer within which reporting of the current settlement status with suppliers/payables and customers/receivables takes place as well as the current financial position. This layer also enables forecasting, allowing future planning for operational Cash and Liquidity Management. The basic management instrument is "blocking" chosen payments using the payment block.

The **green** layer of the pyramid represents the Controls and Anomalies layer. This vital solution component covers anomaly analysis. The system automatically analyses posted documents and checks their correctness, internal consistency, and

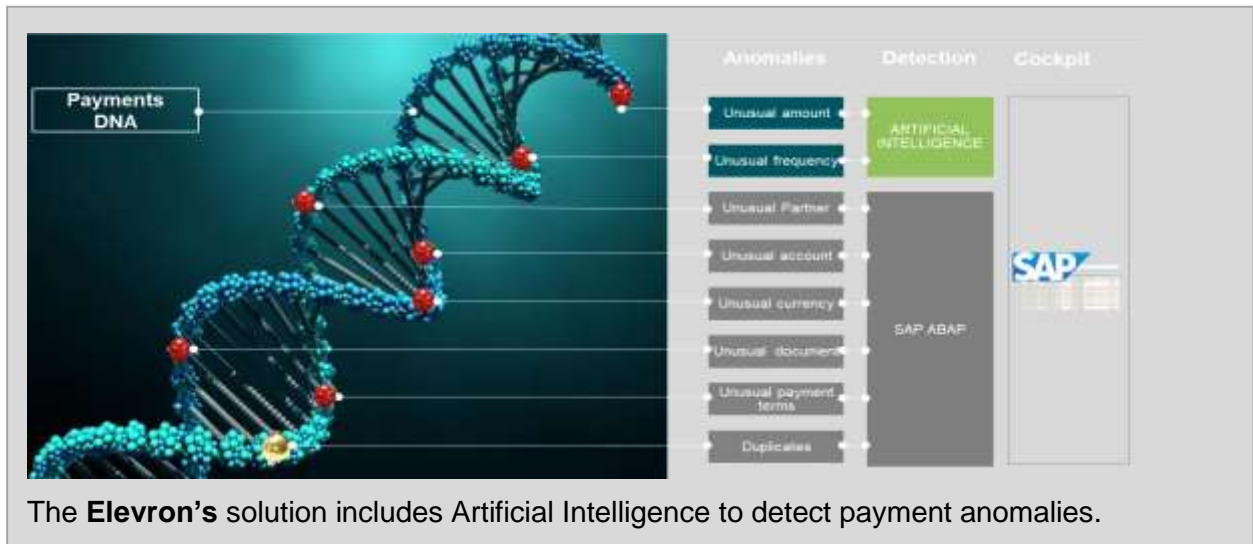
compliance related to a set of specified rules. It identifies individual cases that require verification and a decision. Anomaly detection and analysis guarantees the necessary proofing of an effective payment process.

The **yellow** layer of the pyramid represents Treasury Process Management, another automation piece which creates "virtual banks" during the payment process, during which the bank/own account is assigned to the payment in a way that preserves compliance with internal rules and takes the bank account balance into account.

Process management is supported by a dedicated cockpit for account statements, payments, anomalies, and the qualified authorized signature. Qualified electronic signature (QES) includes a qualified digital certificate that indicates that identity verification has been completed face-to-face. The qualified certificates can only be issued by a Qualified Trust Service Provider (QTSP) authorized by regulatory bodies who assess the QTSP security standards.

The bottom platform layer is the **orange** layer of the pyramid and represents the IT platform which includes Artificial Intelligence (AI), integration, and automation as the base for all layers above it. The orange layer is fully compliant with ISO20022 standards and data exchange utilizing banking service providers.

elevron's cash and liquidity management solution enables efficient and secure payments fully automated with advanced analytics



The **Elevron's** solution includes Artificial Intelligence to detect payment anomalies.

Reference Quotes

Magdalena Kaczorowska – PKP Energetyka, Treasury Automation Project Sponsor

“Project implementation involved not only technical changes, but also the reconstruction of various processes, which required creativity and engagement from PKP Energetyka, PKPE CUW and Elevron. To me it was important that among other things, the standards necessary to achieve high efficiency and safety of the processes were implemented.

The Solution is based on SAP and on applied ISO 20022 integration standard recommended in banking institutions.”

Mariusz Pietrzak – PKP Energetyka, CUW CEO

“In the disruptive world, effective cash management is playing crucial role in the enterprise.

Fully integrated solution like this helps us to manage our processes in the optimal, secure and automated way.”

Justyna Nałęcz-Chmielewska – PKP Energetyka, Head of Treasury

“Treasury benefit is about safe, accurate and easy processed payments from one system (SAP) and even more important-efficient short term cashflow forecasting based on available current data.

It meets the treasury trends where all repeating standard activities are automated when treasury role is more strategic one. “