# Adjoint

# DIGITAL TRANSFORMATION FOR TREASURY

## Adjoint Smart Treasury™

Making smart treasury simple
for multinational organizations

# TREASURY MANAGEMENT
## in a digital world

The role of the Corporate Treasury is changing rapidly. In a volatile global economy, companies are constantly striving for optimized financial performance while focusing on the digital innovation they know will be key for survival. Treasury departments have evolved from their traditional role to become an increasingly visible function, working closely with the board to manage risk and boost the bottom line.

Recent regulatory changes – including Basel III, Dodd-Frank, ISO Check 20022 and IRS 385 – are placing new demands and responsibilities on financial management in large corporations. Against this backdrop, treasurers are pressured to provide greater strategic value while driving costs down, often needing to enhance performance with fewer resources.

In the case of multinational companies, more accurate forecasting and granular understanding of cash positions is vital to drive strategic success. Complex requirements from tax and legal, intra-group transfers, multiple bank account management and expensive FX transactions currently consume valuable time and resources.

> " How corporates and their partners deal with digitalization will determine whether or not they survive the next decade...treasurers – and their boards – realize it. "
>
> *Eurofinance, The Economist Group*

Technology innovation is set to transform Treasury. Distributed ledger technology is producing profound changes in the Treasurer's ability to respond to a digital-speed world. Using Blockchain offers dramatic improvements in the Treasury's potential to optimize financial assets and liabilities, drive cash flow improvements and holistically manage financial risk.

Strategic corporate treasurers are describing Adjoint's Smart Treasury™ as a "game changer".

This state-of-the-art Blockchain-powered platform helps the Treasury fulfil its potential as a high value and dynamic part of the executive team.

# WHAT IS BLOCKCHAIN?

Blockchain is a digital record of events that is shared among many different parties. It facilitates the direct, instantaneous and digital transfer of value, whether that is global currency balances, investments or other assets. It is also immutable, so once data has been written to a Blockchain, it is impossible to change it without leaving an audit trail. It simply cannot be tampered with or erased. And because all involved parties view, sign and store the same digital record, data mismatches and reconciliations are completely eliminated.

As a result, Blockchain offers immense opportunities for increased efficiency, transparency and security of financial processes and multi-party workflows.

While cryptocurrency was once the best-known application for Blockchain, innovative companies like Adjoint have developed platforms to meet the needs of the corporate world. Today, Adjoint Smart Treasury™ brings you all the benefits of Blockchain, without any of the needless risks of cryptocurrency.

# INTRODUCING
## Adjoint Smart Treasury™

Imagine a world where you have **round-the-clock visibility** of consolidated bank balances, liquidity, investments and positions across multiple banks, divisions, countries and currencies. Where **automated, zero-cost transactions** within and outside the organization are an everyday reality. And where Treasury delivers **year-on-year savings** as well as high value strategic input in **real-time.**

Adjoint Smart Treasury™ delivers all of this and more. It is a powerful new way for multinational Treasurers to achieve better visibility across their entire operation, with instantaneous transactions and greater control over key treasury workflows. And the system is never out-of-date; rich metadata with each transaction and powerful new integration tools eliminate the need for cumbersome ledger reconciliations.

It does all of this with a simplicity and elegance, combined with security and ease of use, that traditional systems just can't match. State-of-the-art Blockchain technology makes the platform fully-auditable and highly secure.

# GAME-CHANGING POTENTIAL

Smart Contracts enable the automation
of real-life transactions

At the heart of Adjoint Smart Treasury™ and key to its game-changing potential are Smart Contracts. These secure multiparty workflows allow the Treasurer to automate key tasks and completely transform their business processes.

Smart Contracts allow the Treasury to define and set pre-configured rules that safely and securely enable the automation of real-life transactions between employees, departments and even companies. As a result, essential Treasury functions can be safely and effectively automated to enable straight through processing, freeing up the Treasury team to focus on delivering strategic value.

Smart Contracts enable other, game-changing innovations too, including: the ability to manage liquidity in multiple currencies with full visibility of FX; transfers among any approved entities; self-administering inter-company loans with automated interest; and setting user-defined parameters for withholding tax calculation and posting.

> "Helps us greatly reduce major pain points in our processes, such as cross-border payments and labour-intensive internal billing...
>
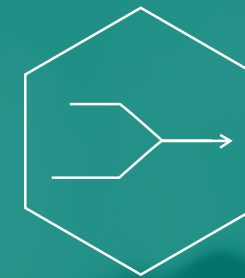> A game-changer for our productivity, and ... for commercial applications with our clients"
>
> *Treasurer at a multinational corporation*

# SMART TREASURY MANAGEMENT

## REAL-TIME VISIBILITY

- View available liquidity across multiple entities, departments, locations and bank accounts in real-time
- Expanded visibility to partners, subsidiaries, vendors and customers

## STREAMLINED EFFICIENCY

- Allocate liquidity based on existing intra-group legal and tax arrangements
- Eliminate netting processes. Settle intra-group obligations instantly and at zero cost
- Track transaction status and confirmations in real-time

## STRATEGIC FOCUS

- Optimize surplus liquidity through internal or external investments
- Post accounting entries and perform analytics
- Manage multiple currencies without market execution on way in and out
- Manage intra-company loans; calculate and post interest costs
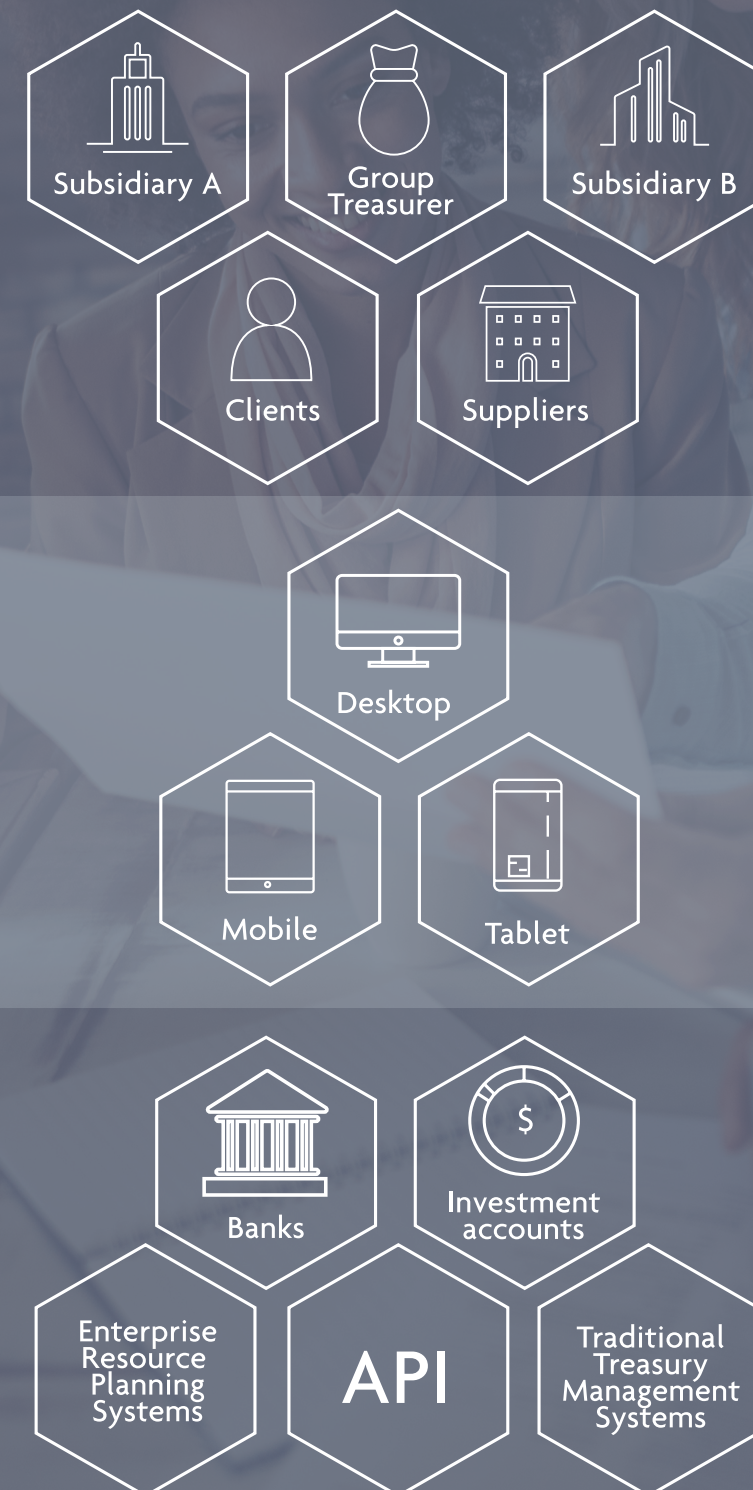- Perform tax calculations with embedded tools

# HOW IT WORKS

Adjoint Smart Treasury™ works with your current systems as an elegant overlay

The whole system is designed for seamless, intuitive ease of use and integration with your chosen, secure IT environment. API-based integration means there is no need to "rip and replace", ensuring a smooth transition in just a few weeks.

- The Adjoint Smart Treasury™ dashboard is accessible from desktops, tablets and mobile phones, with permission-based access and two-factor authentication
- Our APIs enable the system to integrate seamlessly with your internal Treasury and Finance systems, which means no more duplicate entries
- All transaction information is auto-reconciled and automatically posted into treasury management systems in real-time
- We offer online, real-time API-based integration with banks too, for transactions outside the organization
- Create private, permissioned Distributed Ledger Transactions within a corporate group and with major customers or suppliers
- Treasury Smart Contracts, pre-audited and verified, allow the automation of complex multi-party transactions

## SEAMLESS INTERFACE WITH YOUR IT ENVIRONMENT

Subsidiary A    Group Treasurer    Subsidiary B

Clients    Suppliers

Smart contracts automate intra-company and external ledger workflows

Desktop

Mobile    Tablet

Permission-based access to dashboard via multiple devices

Banks    Investment accounts

Enterprise Resource Planning Systems    API    Traditional Treasury Management Systems

Integration with multiple systems enables robust real-time, auto-reconciled reporting

# SECURE AUTOMATED MULTI-PARTY WORKFLOWS

# TRANSFORMING TREASURY OPERATIONS
## Creating the Digital Treasury

At the core of Adjoint Smart Treasury™'s transformative potential is the real-time visibility of cash flow position across multinational entities. It securely connects with internal systems across multiple locations, and to your bank accounts, in order to provide a single view of consolidated cash flow in real-time.
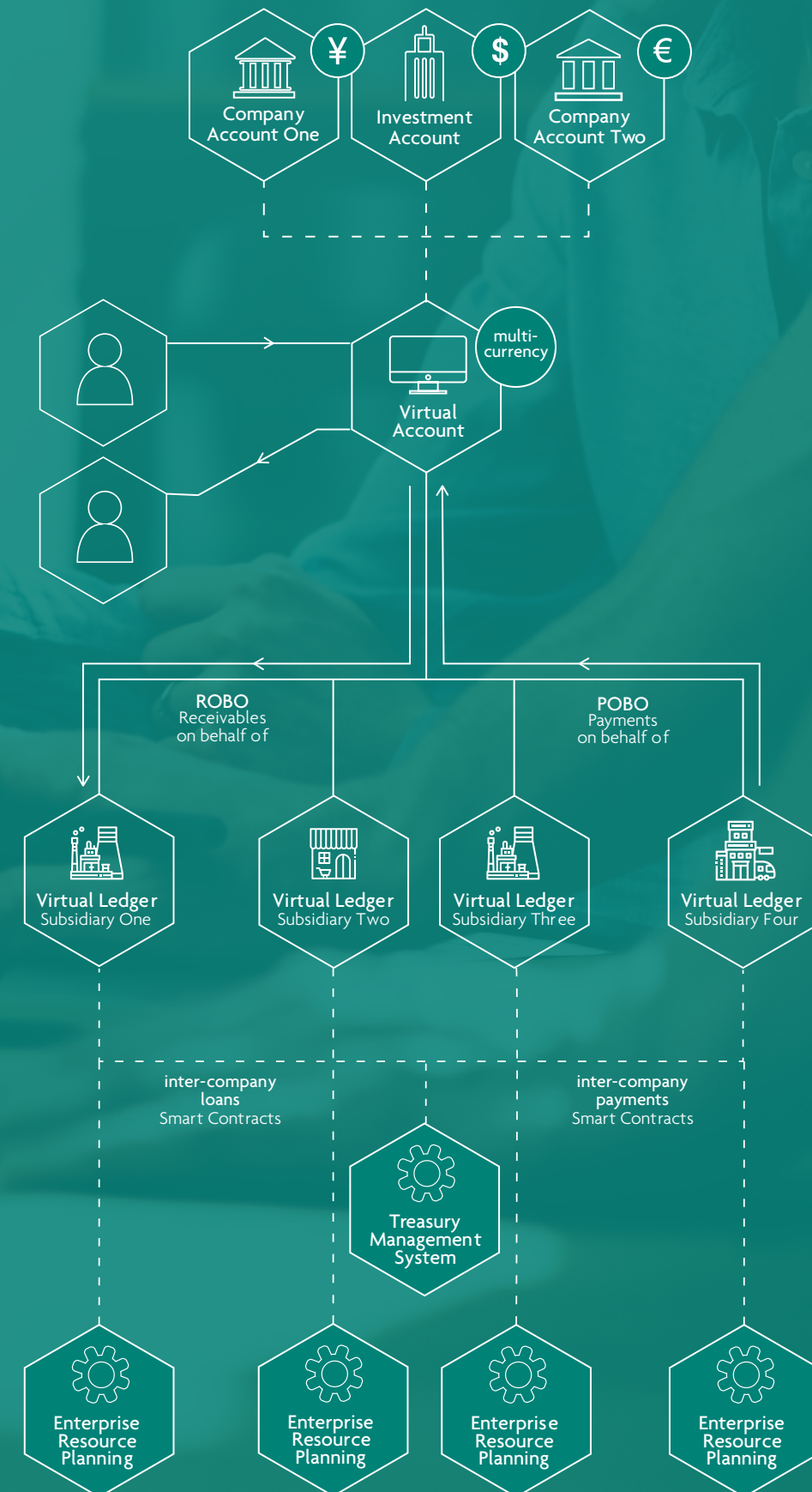It really is that simple.

Users are no longer dependent on slow and error-prone legacy interfaces which lead to delays of days or even weeks in cash reconciliation. Corporate Treasury is continuously linked to banking system liquidity balances to transform the effectiveness and strategic value of the team and the function.

## Impacting the bottom line

Adjoint Smart Treasury™ delivers significant cost savings from the word go, as Smart Contracts streamline cumbersome processes and eliminate costly third-party transactions. Our clients typically achieve savings of several US$ millions within the first year of implementation, surpassing the original amount invested by far. Treasurers are now boosting their bottom lines with zero cost transactions between any entities within their multinational organization; and even with large clients and major suppliers.

Company Account One ¥

Investment Account $

Company Account Two €

multi-currency

Virtual Account

ROBO
Receivables on behalf of

POBO
Payments on behalf of

Virtual Ledger Subsidiary One

Virtual Ledger Subsidiary Two

Virtual Ledger Subsidiary Three

Virtual Ledger Subsidiary Four

inter-company loans Smart Contracts

inter-company payments Smart Contracts

Treasury Management System

Enterprise Resource Planning

Enterprise Resource Planning

Enterprise Resource Planning

Enterprise Resource Planning

# TRANSFORMATIVE POTENTIAL

## A responsive, dynamic Treasury function

The real value of Adjoint Smart Treasury™ lies in its transformative potential. With an always up-to-date snapshot of liquidity position and internalized transaction capabilities, it enables dynamic, purpose-driven liquidity allocation, capable of responding to the organization's needs across multiple jurisdictions in real-time. It also offers in-built tax calculations, and corporate governance and compliance checks.

Beyond that, Smart Treasury offers a secure, comprehensive and totally private data set. By mining this data, multinationals are learning more about their own operations and identifying sources of variability within the business. In the future, our clients will further improve efficiency and value by applying machine learning techniques to this data.

> "84% of financial professionals reported the Treasury function is playing a more strategic role and 83% anticipated a further growth in Treasury's expanded role over the next five years."
>
> *Strategic Role of Treasury, Association for Financial Professionals*

## Future potential: The Treasury without borders

Once freed from day-to-day management of back office processes, the Corporate Treasurer can focus on making the right decisions regarding the use of cash to support the business, the most important requirement in times of economic volatility.

Beyond this key function, there is also significant potential to create new value through innovative applications of Smart Contracts. For corporate finance, there is a huge opportunity to reduce the cost of commercial paper issuance. Within the insurance sector, there is significant potential to implement more effective and efficient captive and international programmes. Other potential applications of Smart Contracts include delivering better insights for enterprise risk management and M&A, more efficient management of pensions, tax and investor relations.

In multinational organizations, Smart Contracts will help Treasury play a critical role in successfully conducting business overseas: payment strategies, deeper vendor and client integration, financial supply chain management and more.

Adjoint Smart Treasury™ is continuously evolving to meet the expanding role of the Treasury, supporting multi-currency liquidity management, an ever-wider range of automated transactions and purpose-driven liquidity allocation.

# ABOUT ADJOINT

Adjoint was founded in 2016 with a single-minded vision to **make smart finance simple.** Our management team comprises of finance industry veterans and software experts, each with an individual track record of success. As a team, they share a common vision of digitalization, collaboration, innovation and problem-solving to deliver tangible business results.

Adjoint's name is inspired by advanced mathematics and represents the numerous ways the company uses the world's most advanced and secure Blockchain technology to simplify enterprise processes.

Our clients include a number of Fortune 500 global companies, for whom we improve productivity and margins, enhance client service and drive strategic innovation. Our clients also include innovative and fast-expanding companies, who use our technology to chart out their growth journey.

We offer two technology frameworks: Adjoint Uplink, the company's open-source platform and Adjoint X Suite, an advanced set of technology tools. The Adjoint Smart Treasury™ solution is built upon these.

Adjoint is a member of the **SAP PartnerEdge program**, offering standard connectivity between Adjoint Smart Treasury™ and SAP's ERP, Cloud and HANA business data platforms. As a **member of AWS Partner Network**, Adjoint offers containerized deployment on Amazon Web Services. Adjoint Smart Treasury™ product has also been deployed on many other on-premise and cloud infrastructures. In addition, the product offers integration with market-leading treasury management systems as well as **global banks.**

Measurable results in empowering enterprises to achieve new levels of efficiency, controls and information are at the core of Adjoint's success. Delivering Blockchain networks and specialized smart contracts specifically for the enterprise use cases is what we do every day.

Contact us today to find out how we can make smart finance simple for your Corporate Treasury team

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