

# TREASURY GAMECHANGERS



HSBC

treasurytoday  
Adam Smith Awards

# Treasury Gamechangers Contents

Welcome to HSBC's bespoke yearbook celebrating excellence in corporate treasury. Read award-winning journeys from our global client base that describe how treasury has pioneered innovative, transformative change in testimony of its influential role at the heart of business meeting strategic imperatives.

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# Foreword



**Michael Roberts**

CEO of Corporate and Institutional Banking



**Manish Kohli**

Head of Global Payments Solutions

## Treasury Gamechangers

Corporate treasury teams increasingly pull the levers of change that guide businesses navigating economic, technological and regulatory shifts. Achieving bold corporate change and innovation that drives advancement is challenging, especially for professionals also focused on risks, costs and safeguards.

HSBC understands the role of treasurers driving strategic imperatives. This is why we are recognising Treasury Gamechangers by profiling some of the businesses we partner with across payments and treasury that have overcome challenges to effect transformative change to improve their treasury functions. All winners of coveted Adam Smith Awards, we hope their treasury stories provide inspiration for others undergoing similar projects to drive change, advancement and innovation in the industry.

Treasury Gamechangers reflect HSBC's truly global client base. Like Imerys, the French multinational, which transformed visibility

and control of its local treasury function in Egypt in a digital overhaul. Or Ricoh, the Japanese imaging and electronics group, which implemented a post-Brexit cash pooling solution in Ireland.

Asian Treasury Gamechangers include Foodpanda, the online food and grocery delivery platform, which HSBC partnered with to streamline its multiple banking relationships and introduced automation. Latin America's Treasury Gamechangers include Danone's Brazilian business which upset the status quo to overhaul payment reconciliation in an automated environment.

HSBC knows that when our clients succeed, so do we. We hope you enjoy and are inspired by these and other stories of corporate treasury endeavour and innovation, that showcase the transformative power of change.



## Section 02

# Treasury Transformation

Whether integrating new technology as part of a wider digitisation journey, building out a new treasury solution or using new products to tap the capital markets, these Gamechangers all embraced treasury transformation and helped future proof their organisations.

## Highly Commended Winner Best Cash Pooling Solution

### AbbVie

Cindy Lee, Regional Treasurer JAPAC



Cindy Lee, AbbVie and Winnie Yap, HSBC

## abbvie

AbbVie Inc. is an American pharmaceutical company headquartered in North Chicago, Illinois.

It is ranked 6<sup>th</sup> on the list of largest biomedical companies by revenue.

## Smart cash pooling solution integrates new acquisition

### The challenge

In 2020, AbbVie acquired Allergan in a US\$63bn transaction and the company promptly wanted to achieve the following objectives across both AbbVie and Allergan:

1. Visibility and control of cash.
2. Consolidation of cash at a country level using a single banking partner.
3. Integration of country level cash into AbbVie's consolidated cash pool.
4. Investment of consolidated cash by AbbVie's in-house bank.

Integrating the businesses was critical to overcome the following challenges, typical of acquisitions of this magnitude.

- Fragmented cash across both businesses.
- Lack of central visibility across both businesses.
- De-centralised investment strategy.
- Different systems and ERP's used across both businesses.

### The solution

The solution that best addressed the company's challenges entailed creating and integrating a multi-bank, multi-currency notional pool structure. This allowed consolidating cash across banks, facilitated

by operational tools and reporting that enables effective cash flow forecasting, cash pool status reporting and ease of administration. Automation and reporting were critical to successfully manage centralised investment of funds, considering the liquidity needs across all cash pool participants.

"This effective solution required a deep understanding of participating markets, customer and business dynamics across both Allergan and legacy AbbVie including funding requirements, cash flow cycles and our investment policies," says Cindy Lee, Regional Treasurer JAPAC.

### Best practice and innovation

AbbVie's critical success factors in establishing the pooling structure were met by HSBC in a variety of ways. These included:

- Deep experience in working with clients that have acquired, separated or merged businesses.
- A portfolio of innovative solutions that are quick to implement but operationally stable and include the required internal controls and reporting.
- Experience in relevant regulations and market dynamics, especially in complex markets like China.

HSBC's solution was developed based on the understanding of market regulations, yields and other dynamics including AbbVie's business and cash flows across all relevant currencies.

The solution entails just-in-time funding from the entities to the regional cash pool via extended intra-day limits that go well into late hours ensuring maximum value for the currency.

"HSBC's solution supports our desired objectives of centralising and optimising our liquidity position across Asia Pacific and the world. In the current interest rate environment, this is especially valuable," says Lee.

### Key benefits

- Process efficiencies.
- Increased automation.
- Risk mitigated.
- Improved visibility.

The solution delivers full visibility to liquidity and consolidated cash using a combination of zero balance and target balance in-country accounts (with intra-day limits in store). This consolidation reduces global liquidity risk, enables centralised investment of funds or re-deployment of cash within the group as required.

Centralised investment grants access to greater investment options, higher yields and simplifies compliance administration. The solution with its same day value of funds integrates into these advantages.

"Our century of experience operating in the region has granted us the knowledge to help many companies in AbbVie's position navigate the various complexities that can arise from major mergers and acquisitions. We draw on this knowledge to help customers create optimal cash pooling structures that are suited to their new operating model in context of Asia Pacific's highly diverse regulatory landscape, helping them move money with confidence across borders, and achieve more efficient funding across a wide range of currencies."

**Winnie Yap, Head of Global Payments Solutions, HSBC Singapore**

## Highly Commended Winner

### Best in Class Treasury Solution in the Middle East

#### Al Shirawi Group (Oasis Investment Co. LLC)

Asif Master, Director Finance



Since its humble beginning in 1971, Al Shirawi Group, owned by Oasis Investment Company, has grown to be one of the largest private industrial conglomerates in the Gulf region with over 48 companies operating in the UAE across 12 industries which includes trading, manufacturing, logistics, leasing, contracting and service activities, including workshop, printing and publishing activities, oil field activities, comprehensive facility management, renewable energy, education and healthcare.

### How Al Shirawi fired up cash management with APIs

#### The challenge

Spanning construction, education, electronics and logistics – amongst other industries – Dubai's Al Shirawi Group is one of the most diversified businesses in the region. However, the company's extensive corporate structure was posing challenges for treasury. For instance, the 40 plus entities running their own banking relationships across 138 accounts with HSBC and a lack of real-time cash visibility. Manual processes and multiple logins made financial transactions and balances opaque, leading to delays in decision-making and difficulty in tracking cash flows.

Treasury was also prone to errors and vulnerable to security risks. The supplier payments system was paper-based and manually intensive, with most payments made via internet-based browser platforms or cheque. Another problem lay in the lack of system integration.

Current payment processes were not integrated with the company's enterprise resource planning (ERP) system and were performed manually. Moreover, as the business grew, manual processes were become increasingly inefficient and difficult to scale, leading to bottlenecks and operational inefficiencies.

#### The solution

Al Shirawi used APIs to boost efficiency and transparency via HSBC's bespoke treasury API solution. The technology integrates the company's

ERP in real-time with HSBC, and helped Al Shirawi become more agile, efficient and responsive to changing market conditions.

Transactions are end-to-end encrypted and are across domestic and international transfers. In addition, the treasury team can simply login to the ERP system, instead of using multiple bank portals.

#### Best practice and innovation

The use of treasury and payment APIs has streamlined transaction processes, allowing for faster and more accurate payments, collections and cash management. This has resulted in improved cash flow visibility, reduced processing times and minimised the risk of errors commonly associated with manual data entry. The whole API implementation in the UAE was completed in less than two months. The next phase will cover the operations in United Kingdom and India.

#### Key benefits

- Cost savings.
- Headcount savings.
- Number of banking partners/bank accounts reduced.
- Process efficiencies.
- Return on investment (ROI).

- Increased automation.
- Risk mitigated.
- Improved visibility.
- Errors reduced.
- Manual intervention reduced.
- Increased system connectivity.
- Future-proof solution.
- Exceptional implementation (budget/time).
- Improved key performance indicator (KPI) metrics.

"We have had a long standing and time-tested partnership with HSBC. They were our choice of bank when we embarked on the journey to integrate our system with the banking platform. The seamless implementation process showcased HSBC's expertise and commitment to delivering cutting-edge solutions. From the initial discussions to the final integration, HSBC's team demonstrated a deep understanding of our unique requirements and provided tailored solutions to meet our needs."

Asif Master, Director Finance

"HSBC is delighted with our partnership with Al Shirawi (Oasis Investment) group which has helped them further automate their treasury operations, bring enhanced efficiency and streamline their financial operations. HSBC's Treasury APIs have brought in real-time visibility of cash positions for the groups various entities resulting in enhanced financial decision making and in building stronger relationships for the group with their suppliers. HSBC's Treasury API solution integrated seamlessly with their ERP and the increased automation has aided the group in efficient risk management, streamlining invoicing and billing, eliminate manual processes, reduce errors and resulted in significant cost savings."

**Jyotin Jauhar, Director and Head of Corporate Banking Sales, HSBC Dubai**

Overall Winner

## Best Transaction Management Solution

Air India Limited

Harish Pai, Head Treasury  
 Jeevan Kandpal, Lead Treasury



Jeevan Kandpal and Harish Pai, Air India and Sourav Sanyal, HSBC



Air India is the flag carrier airline of India serving 102 domestic and international destinations.

## Air India's treasury operations take off

### The challenge

As Air India transitions to a privately held business with ambitions to grow domestically and internationally, treasury transformation was identified as a key area of improvement.

Air India had been operating a highly decentralised treasury infrastructure. To ensure transparency, controls, efficiency and security in its processes, it sought to work with one to two cash management banks to overhaul its overseas operations, including:

- **Bank account rationalisation** – rationalisation of the 300+ bank accounts across 34 locations.
- **Improving connectivity and centralisation** – with no ERP connectivity in place, Air India's in-country teams had previously relied on cumbersome payments processes with local banks, which were either done manually or via e-banking portals. Balances were compiled through spreadsheets with HQ treasury relying heavily on local teams for accuracy of data.
- **Cost control** – banks were charging different and excessive transaction fees given Air India had limited negotiating power with its banks.
- **Improving liquidity management** – decentralised operations meant every location was managing its own cash resulting in delays in information to HQ. This often created a requirement for external borrowing; a new approach was required.
- **Navigating regulatory changes** – privatisation brought about the need to comply with various additional regulations, previously not applicable

as a government entity. The company also needed a bank that could support their growing overseas and FX operations, in accordance with the Foreign Exchange Management Act (FEMA).

As part of the transformation, the company also sought support from its banks to complete the acquisition of a combination of long-haul and narrowbody planes that would strengthen its network.

### The solution

After a thorough RFP process, Air India mandated HSBC as its global cash management bank.

Air India completed the first phase of its treasury transformation in December 2023, with the company successfully streamlining its cash and liquidity management efforts in 15 markets.

The company rationalised over 150 accounts to just 16 to support multiple payment types across locations for vendor payments, payroll and statutory payments.

Utilising its existing HSBCnet and host-to-host profile with HSBC in India to other locations, has enabled centralised control of accounts from the company's Indian HQ. The use of bank-agnostic XML V3 file formats and MT940 end-of-day statements further facilitate automated reconciliation of centralised payments for improved control.

Regulatory filings for setting up a USD cash pool in Singapore to centralise payments for fuel, airplane lease, etc and support short-term borrowing and deposits in case of liquidity mismatch have been secured. The company has also leveraged the

bank's liquidity management dashboard for a single view of its cash positions.

"We have also adopted corporate cards across multiple markets for ease of making payments in any emergency/'flight on ground' situations, eg for hotels and taxi," explains Harish Pai, Head Treasury.

The next phase is expected to be completed within a year.

### Best practice and innovation

In just a year, Air India has modernised its archaic treasury operations while becoming the first airline in India to set up a financing leading company in GIFT City, aligning with its global rebranding efforts to position the company as a world class airline.

The project proved highly complex, especially as Air India was transitioning from a government-owned to a privately held business while also consolidating various airlines into two entities.

### Key benefits

- Cost savings.
- Headcount savings.
- Number of banking partners/bank accounts reduced.
- Process efficiencies.
- Increased automation.
- Risk mitigated.
- Improved visibility.
- Errors reduced.
- Manual intervention reduced.
- Increased system connectivity.
- Future-proof solution.
- Exceptional implementation (budget/time).

Congratulations to Air India on this fantastic outcome; we are truly honoured to be a part of their transformative journey towards becoming a world-class airline. Key to the comprehensive solution was the focus on centralisation and rationalisation of Air India's treasury functions, streamlining accounts and processes across 14 markets to deliver optimal liquidity and operational efficiencies.

The future-proof solution equipped with sophisticated treasury tools and tailored liquidity structures, will allow the company to utilise a leaner, more strategic treasury infrastructure and elevate the business to capitalise on new growth opportunities.

**Sourav Sanyal, Regional Sales Head, Global Banking Multinationals – India, Global Payments Solutions, HSBC**

## Highly Commended Winner Best in Class Treasury Solution in ASEAN

### Foodpanda

Chedia Haddouchi, Head of Treasury, APAC



Abhishek Chatterjee, HSBC, Debashish Sinha, Hareez Latiff and Chedia Haddouchi, Foodpanda



Foodpanda is an online food and grocery delivery platform owned by Berlin-based Delivery Hero. Foodpanda operates as the lead brand for Delivery Hero in Asia, with its headquarters in Singapore. It is currently the largest food and grocery delivery platform in Asia, outside of China, operating in 11 markets across Asia.

## Foodpanda implements solutions across Asia to support explosive growth

### The challenge

Foodpanda handles hundreds of thousands of orders a day and its explosive growth in the region had necessitated a reworking of treasury operations, which had comprised multiple banking relationships and a lack of automation on key processes which they wanted to address.

### The solution

The company consolidated its main Asia Pacific banking operations to HSBC in nine markets, to fulfil four key objectives across the company's full operational cycle with a range of regional and domestic solutions:

- Streamline bank account structure.
- Enhance liquidity consolidation, visibility and control, and yield on surplus funds.
- Gain efficiencies on process and cost through automation and standardisation, especially on reconciling the high volumes of payments and collections they were handling.
- Enable innovative digital experiences for partners and customers.

Foodpanda developed a process that enabled the bulk execution of payments via real-time payment (RTP) rails by uploading payment files to HSBC directly from their SAP system through a host-to-host connection. Initially launched in Singapore, the solution was expanded to Thailand and

Malaysia, allowing Foodpanda's partners to receive funds in seconds.

An automated withholding tax generation and direct issuance process was also created to further reduce manual effort for Foodpanda's finance team.

Virtual accounts (VA) were introduced to help automate identification of incoming payments from merchants and reduce the overall number of physical collections accounts. VA is live in Singapore and further implementations are ongoing elsewhere in Asia Pacific ongoing due to the solution's success.

Foodpanda also worked to expand the number of supported digital payment methods in their markets of operation to enhance the customer experience and improve customer reach. These included PayMe, a popular peer-to-peer payment app in Hong Kong with over three million users, in May 2023.

Through close collaboration with Foodpanda, HSBC has also managed to develop a highly efficient ticket management solution that has significantly reduced time spent on resolving payment incidents. The platform also allows both teams to do analysis on the tickets, trends and solutions.

### Best practice and innovation

Foodpanda is one of the first food delivery companies to enable payouts via RTP in Malaysia and Thailand. Up to 100,000 payments are now executed via this method in these two markets,

showing the commercial viability of using RTPs in both markets to support the large daily payment volumes that are typical in their industry.

The expansion of supported payment options regionally has enhanced the customer experience for Foodpanda. PayMe is now the third most utilised payment method on the channel, reflecting the high consumer uptake.

US\$1m has been generated through the interest enhancement solution, enhancing yield on balances in both free and restricted currencies across the company's various markets of operation. Foodpanda can manage interest conditions centrally and eliminate the need for interest to be negotiated in each local market as the latest market rates are provided. Interest is credited directly to each involved account, directly benefiting the respective local business.

### Key benefits

- Cost savings.
- Number of banking partners/bank accounts reduced.
- Process efficiencies.
- Improved key performance indicator (KPI) metrics.
- Increased automation.
- Risk mitigated.
- Improved visibility.
- Errors reduced.
- Manual intervention reduced.
- Future-proof solution.

"The ASEAN region is defined by the speed at which it is constantly evolving, driven by a young, digitally-savvy population, and the increasing ease of access to web and mobile technology. This has spurred the massive growth of tech companies, who are constantly striving to deliver greater speed and convenience for customers. Our work with Foodpanda is a testament to the work we have done in developing our own digital capabilities to help corporates in this fast-paced and highly competitive industry meet these goals, which makes us well-positioned to continue helping these companies achieve operational excellence now and into the future."

**Harish Venkatesan, Country Head, International Subsidiary Banking, Commercial Banking, HSBC Singapore**

Overall Winner

Best in Class Treasury Solution in Africa

## Imerys Ceramic Egypt

Osama El Amari, Chief Accountant



Imerys, a French multinational company, is the world's leading supplier in industrial mineral-based specialty solutions organised around two segments; performance minerals and high-temperature materials. A multi-billion euro enterprise, they operate in over 40 countries with over 16,000 employees.

The company's group subsidiary, Imerys Ceramics Egypt is a manufacturing facility producing a range of sanitary-ware, tableware and tiles, and has been operational since 2014.

### Imerys digs deep for visibility and control of its Egyptian operations

#### The challenge

Speak to any MNC treasury team overseeing scattered, global subsidiaries and they invariably share the same goal – if they haven't already achieved it: visibility and control of the local treasury function.

So it was for the treasury team at French group Imerys, seeking a better grip on its Egyptian operations. "Of key importance in addressing our local operational needs, was the ability to improve visibility and control from Egypt back to our treasury HQ in France," says Osama El Amari, Chief Accountant, explaining how he oversaw a digital overhaul to automate and streamline the Egyptian treasury function.

Imerys' ability to oversee its Egyptian operation was handicapped by a long list of issues. Manual processes governed vendor and salary payments using ACH and RTGS transaction rails. Similarly, cheque issuances were also manual. Inward cheque payments required safe keeping within the office and necessitated daily visits to the branch, statutory payments spanning government taxes, social insurance and customs payments also required copious form filling in branch because the company couldn't connect to the governments e-finance portal – Corporate Payments System (CPS).

Elsewhere, managing payables and receivables reconciliation was time consuming and prone to error and risk – statements were printed and manually cross-referenced to track inward collections against sales.

The company was also hindered by limited reporting options. Imerys could not automatically

pull MT940s from its incumbent banks, which also meant the team could not automatically reconcile and report back to France HQ. The subsidiary had no connectivity via their existing banking platform and were unable to benefit from straight through processing (STP).

Lastly, the company had multiple banking partners meaning accessing daily cash positions required multiple logins, passwords and tokens. Nor did the company's local banking partner have an international footprint or digital capabilities, which limited the options for an international subsidiary operating in Egypt.

#### The solution

Imerys began by selecting HSBC, renowned for its international reach as it's single core treasury and banking partner, removing multiple banking relationships. Imerys' was able to leverage HSBC's international footprint and wide range of cash management solutions to help streamline its local treasury operations and cash management structures.

Imerys has transformed the status quo of its traditional treasury function to that of a state-of-the-art streamlined treasury management structure, that will help to maintain and grow market share across this important region of the company's operations.

#### Best practice and innovation

This deal is a demonstration of how a full treasury transformation can be conducted for a local subsidiary of an international business.

By undertaking an overhaul of its current treasury operation to bring about significant digital transformation, this has helped Imerys to become a more efficient and effective treasury.

Digitisation has helped to achieve efficiencies in every aspect of the company's treasury management function – from access to real-time information on cash flows, bank balances and financial transactions for accounts with HSBC, to improving the efficiency and speed of its cash management processes.

#### Key benefits

- Cost savings.
- Headcount savings.
- Number of banking partners/bank accounts reduced.
- Process efficiencies.
- Increased automation.
- Improved visibility.
- Errors reduced.

- Manual intervention reduced.
- Increased system connectivity.
- Future-proof solution.
- Improved key performance indicator (KPI) metrics.

"HSBC has removed a significant number of treasury challenges from the business, not only helping improve our on the ground treasury operations but enhancing our ability to communicate with HQ – clearly and accurately.

The improvements will significantly support our expansion and growth plans in the region, while helping us maintain and grow market share."

Osama El Amari, Chief Accountant

"Manual treasury processes are time-consuming, prone to error and exposed to operational risks. For Imerys Egypt, overhauling its treasury operations using digital solutions has helped achieve operational efficiencies in every aspect – from access to real-time information on cash flows, bank balances and financial transactions for their accounts, to improving the efficiency and speed of its cash management processes. The award demonstrates how a significant digital transformation can be conducted for a local subsidiary of an international business to automate and streamline operations. Capitalising on HSBC's Global footprint and Swift connectivity for improved visibility, control and reporting back to Treasury HQ in France, Imerys' now has a more efficient and effective local treasury."

Diaa El-Shater, Vice President, HSBC Egypt

## Highly Commended Winner Best Treasury Transformation Project

### Ocean Network Express

Alan Sze, Deputy General Manager, Business Process Information Technology



Alan Sze, Ocean Network Express and Jonathan Teh, HSBC



Established in 2017, Ocean Network Express (ONE) is a global container shipping company and the sixth largest player in the global shipping market.

## How treasury transformation at ONE prioritises centralisation, automation and optimisation

### The challenge

ONE has been on a multi-year transformation journey. Following its establishment in 2017, ONE took the first vital step of integrating the workflows and operating models of the previous three separate entities, by adopting an ERP system that's integrated directly with SAP HANA to connect ONE's finance operations to the 226 accounts it manages across 44 countries – including both regulated and non-regulated markets.

With the maritime industry becoming increasingly digitised over the past few years, the next critical step in ONE's transformation journey was to adopt a digital value proposition. But as a leading shipping player processing more than 250,000 payments a month, ONE was still operating at 25-30% automation ratio. The target was to increase this to 75%.

There was also a growing need for ONE's treasury to play a more strategic role by enabling swift decisions in the areas of liquidity optimisation and hedging. ONE recognised the need for a full-fledged treasury transformation to stay ahead amid a highly competitive industry.

### The solution

ONE embarked on an ambitious transformation project focusing on introducing automation and real-time capabilities to modernise its front- and back-end systems, to streamline cash, payments and supply chain management as well as improving the overall experience for its customers.

**Real-time shipment tracking** – on the customer front, ONE rolled out a state-of-the-art digital portal that facilitates real-time tracking of shipments while offering automated documentation processes and instant support for customers.

**Transitioning to digital payments** – from a banking perspective, ONE worked with HSBC to integrate a payment gateway into its e-payment portal, 'ONE ePayment', enabling customers to make payments digitally via options such as QR payments, request to pay, pay by link and bank transfers for a more seamless, convenient and secure payment journey.

**Real time notifications to speed up cargo release** – by implementing ISO 20022 camt.054 credit notifications and camt.052 through API integration, ONE can now obtain details of payment transactions completed by the end customer promptly to further automate the reconciliation and document/cargo release process.

**Liquidity optimisation** – ONE adopted HSBC's Omni Channel solution to offer newer payment methods which enable the company to directly collect from shipping lines, moving away from traditional methods of collections via agents, where regulations permit. The company also established global liquidity structures across three regions to automatically centralise cash across GBP, USD, JPY and EUR where possible, helping to maximise internal cash use to minimise external borrowing.

### Best practice and innovation

Seven years ago, ONE's treasury structure was made up of differing and manual workflows and fragmented operating models inherited from three separate entities. Fast-forward to today, ONE has completely transformed its treasury function to one that prioritises centralisation, automation and optimisation, with a critical role that contributes towards the firm's strategic decisions and revenue generation.

### Key benefits

- Cost savings.
- Headcount savings.
- Process efficiencies.
- Improved key performance indicator (KPI) metrics.
- Increased automation.

- Risk mitigated.
- Improved visibility.
- Errors reduced.
- Manual intervention reduced.
- Increased system connectivity.
- Future-proof solution.

"Our treasury transformation has contributed significantly to our organisation's growth as we strive to deliver the best services to our customers amid an increasingly digitised and competitive shipping industry. HSBC has been a reliable partner throughout our entire journey, and we appreciate the team's strong support in helping us tackle the challenges head on together," says Alan Sze, Deputy General Manager, Business Process Information Technology.

"This accolade truly underscores Ocean Network Express' commitment to revolutionising its treasury operations, enhancing automation and improving customer experiences. Their innovative use of real-time payment solutions and advanced digital tracking has not only streamlined processes but also significantly reduced payment processing times and customer complaints.

The transformative project sets a new benchmark in both the shipping and corporate treasury space and demonstrates how strategic partnerships can lead to exceptional operational efficiencies and revenue growth. We are proud to support ONE on this multi-year journey."

**Jonathan Teh, Regional Sales Head, Global Banking Multinationals, Global Payments Solutions, Asia Pacific, HSBC**



## Section 03

# Liquidity Management

Cash and liquidity management is an essential element of treasury success. It also needs to stay ahead of innovation. From cash pooling to cash flow forecasting, read how Treasury Gamechangers integrated new elements to their liquidity strategy to transform working capital management.

## Highly Commended Winner Best Cash Pooling Solution

### Fertiglobe

Amr Basset, Group Treasurer



### Fertiglobe

An ADNOC and OCI Company

Established in 2019, Fertiglobe is the world's largest export-focused nitrogen fertiliser platform and the largest producer in MENA with a combined co-production capacity of 6.5 million tons of urea and merchant ammonia. Headquartered in Abu Dhabi, Fertiglobe is a strategic partnership between OCI NV and ADNOC.

## Multi-bank cash concentration solution works for Fertiglobe in the UAE and beyond

### The challenge

In 2020, Fertiglobe began looking for a global bank to support its treasury transformation journey. With multiple banking relationships throughout the region, an important objective for the company was to centralise the cash balances of operating and trading entities into a single primary bank account each day. As part of the firm's growth strategy, its primary goals were to: streamline and automate operations with a single global channel; improve self-funding and interest rate optimisation and gain greater visibility and control over liquidity.

### The solution

Based on OCI NV's more than ten-year relationship with HSBC, Fertiglobe chose the bank as their global banking partner. The bank recommended its liquidity management solution to help optimise liquidity and working capital management by eliminating idle cash balances to minimise the use of working capital facilities between several of Fertiglobe's production and trading entities. This involved implementing the market's first multi-bank cash concentration scheme, which automates cross-bank funds transfers globally, regionally, and domestically.

Using the SWIFT network, the solution pulls and returns funds under the cash concentration structure automatically each day, including those with accounts at Fertiglobe's chosen bank as well as third-party banks, ultimately centralising funds to the main holding account.

### Best practice and innovation

With this structure, Fertiglobe has successfully automated various daily activities to concentrate funds into the master account:

- Their third-party bank sends daily MT940/MT942 SWIFT messages on the cash concentration structure header account, which indicates whether accounts are in credit or debit.
- Upon receipt of MT940/MT942 messages, the multi-bank cash concentration scheme calculates a sweep amount based on whether accounts are in shortfall or surplus.
- A surplus balance in a third-party account triggers a 'request for transfer' SWIFT MT101 message, which is sent to the third-party bank to pull balances (USD-zero balance account (ZBA) and AED-target balance account (TBA) into Fertiglobe's master/lead account (AED and USD).
- Funds are distributed back to the source account the following day – swept back to Fertiglobe's operating accounts or via a reverse sweep to the third-party bank via a SWIFT MT103 message.
- Interest earned by each participating entity is also reconciled in the solution.

This is supported by a daily overdraft group limit that allows payment processing at the subsidiary level before reverse sweeps are processed.

### Key benefits

- Cost savings.
- Process efficiencies.
- Manual intervention reduced.

With this automated liquidity structure Fertiglobe has successfully achieved its objectives. By centralising liquidity into a single account, the firm can manage liquidity more efficiently with more visibility and control. This includes:

1. Minimising idle balances with daily cash concentration.
2. Lowering the cost of borrowing by self-funding and eliminating the need to use overdraft facilities.
3. Reducing time and resources needed to manage liquidity in multiple accounts and oversee borrowing/overdraft facilities.

By adopting this innovative and automated technology, Fertiglobe's treasury team took on a complex project. This involved a great deal of engagement and coordination to ensure systems and cut-off times were aligned across the board. This included a detailed set-up and integration plan between Fertiglobe's ERP and its third-party banking partner with HSBC's banking system.

"Looking forward, this solution can easily be scaled to add other international and local third-party banks as needed. Based on its success we are considering establishing the same liquidity structure in Egypt, one of our largest markets, as well as all other markets in which we have a presence," concludes Amr Basset, Group Treasurer.

Overall Winner

**Best Cash Flow Forecasting Solution**

HP Inc.

Siew Cheng Lim, APAC Treasury Regional Manager



Kuai Yee Loh, HP Inc., Harpreet Singh, HSBC, Siew Cheng Lim, Henry Guang Zu Chee and Pravina Selvasingham, HP Inc.



HP Inc. is an American multinational information technology company headquartered in Palo Alto, California, that develops personal computers (PCs), printers and related supplies, as well as 3D printing services.

## HP goes from fully manual to fully automated

### The challenge

Economic uncertainty, stubborn inflation and elevated costs of capital had made it extremely important for HP to focus on liquidity management, cash forecasting and working capital management. Cash has become a more valuable resource, making centralised visibility and control on enterprise cash essential to ensure its optimal utilisation.

HP's regional treasury team in Asia uses an existing treasury management system (TMS) that supports several cash forecasting methodologies, such as company-wide short- and long-term forecasts. However, for entity-level cash positioning and forecasting, the treasury team still relied on manual processes. As the TMS could not integrate all necessary parameters to automate the generation of a cash flow forecast, the treasury team had to consolidate transaction flows across all bank accounts in the region with Excel spreadsheets.

Forecasting had to be done meticulously for each entity in each market, which typically took up three to four hours of the cash managers' time and effort per legal entity. Given HP's extensive presence in Asia Pacific, this amounted to hundreds of man hours dedicated to cash positioning, cash flow analysis and forecasting, with lesser time and resources for other higher value-added tasks.

### The solution

HP's treasury team constantly sought ideas to automate their cash flow analysis and forecasting processes across the region. They explored HSBC's Cash Flow Forecasting (CFF) tool and dedicated many months working with the bank to enhance

the tool for a pilot country. Once the first prototype was successfully implemented, this was extended to five other markets as of August 2024, with plans for further expansion.

As an integrated module within the bank's proprietary platform, the CFF tool requires minimal additional IT maintenance.

The CFF module provides HP with a suite of powerful analytics on an intuitive user interface. This allows treasury to access key cash metrics at the group, market or account level, with the flexibility to drill down into more detailed information as needed. The module features automated visualisations in the form of interactive charts with capabilities to display actual versus forecasted cash positions, enhancing visibility into current and for future cash position decisions.

HP also collaborated with the bank to comprehensively customise CFF reporting to achieve the forecast objectives in line with HP's business needs, while significantly reducing the time and errors associated with manual compilations.

### Best practice and innovation

HP's solution demonstrates best practices through use of automation and data – deployed to help HP in cash planning, forecasting cash cycles and eliminating any analytics delays.

As the solution is an integrated module on the banking platform, it enables HP to achieve full automation of cash flow view directly from source without the need for complex IT maintenance or financial resources for implementation across markets.

The improved reporting serves as a central point for cash flow analysis, data-driven decision-making and strategic planning.

The solution supports third-party accounts linked to HP's banking platform, offering a crucial step towards achieving full bank-agnostic automation of cash positions across entities in the region. This capability is further enhanced by the bank's extensive footprint in the region which aligns with HP's global operational objectives by providing real-time insights and predictive analytics to optimise cash flow, manage risks and improve financial performance.

### Key benefits

- Cost savings.
- Headcount savings.
- Process efficiencies.
- Improved key performance indicator (KPI) metrics.

- Return on investment (ROI).
- Increased automation.
- Risk mitigated.
- Improved visibility.
- Errors reduced.
- Manual intervention reduced.
- Increased system connectivity.
- Future-proof solution.
- Exceptional implementation (budget/time).

"By leveraging automation and data through an integrated solution from our bank, we have transitioned from fully manual to fully automated cash forecasting processes in multiple currencies, entities and markets," explains Siew Cheng Lim, APAC Treasury Regional Manager.

"HP's adoption of HSBC's Cash Flow Forecasting solution exemplifies a transformative leap towards building a real-time treasury. From immediate visibility of cash positions to improvements in forecasting accuracy, it empowers treasurers to make data-driven decisions that further reinforces the strategic nature of today's treasury functions.

The seamless integration with third-party accounts gives the solution an additional edge, as it allows HP to optimise cash management, navigate economic uncertainties with agility and support business growth. Their openness to piloting new technologies demonstrates their pursuit for excellence and underpins their position as an innovator in corporate treasury."

**Winnie Yap, Head of Global Payments Solutions, HSBC Singapore**

## Highly Commended Winner Best Cash Pooling Solution

### Holcim

Gaëlle Gebus, Senior Cash and Project Manager



Steven Klein, HSBC, Nicolas Vaniet and Gaëlle Gebus, Holcim, and Ashley Barnes, HSBC



Holcim is a global leader in innovative and sustainable building solutions. The company's 63,448 people around the world are driven by the company's purpose to build progress for people and the planet. Headquartered in Zug, Switzerland, the Group focuses on four core business segments: cement, ready mix concrete, aggregates, and Solutions & Products – which includes advanced roofing, insulation and specialty building solutions.

## Holcim cements treasury transformation with Netherlands-based MNCP

### The challenge

Holcim required a banking partner to support an ambitious treasury transformation plan to centralise and optimise the treasury function. This included rationalising the banking structure, reviewing cash management activities to deliver straight-through-processing to business operations teams, and gaining full cash visibility.

### Enhancing visibility and control

Holcim recognised the need for enhanced visibility and control over its group liquidity amid challenges posed by its decentralised structure. With local treasury teams managing multiple accounts across various banking partners, inefficiencies in local processes were leading to idle balances and manual foreign exchange (FX) hedging.

### The solution

Holcim required a bank to deliver a centralised structure to increase visibility and control over group liquidity, maximise returns on excess funds and reduce costs. This approach aimed to streamline processes, maximise returns on excess funds, and reduce costs, ultimately ensuring better visibility and control over the company's liquidity.

### Best practice and innovation

#### Global Liquidity Solution

HSBC worked in partnership with Holcim to create a future proof structure centred around a global account platform in the Netherlands, where the multi-currency notional pool (MNCP) is domiciled. The MNCP is connected to three main cash concentration structures handling the repatriation of

EUR, USD, and GBP balances to the global pool. Additional operational currencies are also connected to the pool via cash concentration.

Available balances are swept automatically daily from HSBC and third-party bank accounts located in 19 markets where Holcim operate, such as New Zealand, the UAE, the UK, Mexico, or the US, all to the pool based in the Netherlands, including 13 currencies.

Holcim also implemented HSBC's Liquidity Management Platform (LMP), a digital self-service tool allowing Holcim to access and amend detailed parameters in real-time. Key features leveraged by Holcim include liquidity structure management, control and self-service over cash concentration, intercompany lending and automated sweep arrangements, visualisation of the notional pool structure and the ability to set control limits, position alerts and interest rates.

As a result of the centralised approach and comprehensive administrative tool, the entire structure can be managed by one single person, who has oversight of 19 markets in five regions, the more than 170 entities directly or indirectly connected to the pool, 13 currencies and close to 60 bank accounts.

### Key benefits

#### The success

- Centralised treasury structure.
- Increased visibility and control over group liquidity.
- Maximised returns on excess funds.
- Reduced costs.
- Increased efficiency.

"Holcim performed a global treasury transformation in a decentralised environment, and our partnership with HSBC was a key enabler in this project, bringing automation and scalability. Managing such a structure required a superior and powerful digital tool like the Liquidity Management Portal, operating dynamically and in realtime."

Markus Unternährer, Group Treasurer

"Coming from a decentralised organisation, Holcim engaged in a major transformation of its treasury, involving the implementation of considerable structural changes, such as a global cash pool, in-house banking or centralised financing and FX hedging. HSBC's partnership with Holcim allowed our teams to build a robust and scalable framework and enable this exciting project. Achieving this outstanding result would not have been possible without thought leadership, close collaboration and market leading digital tools. Working alongside and supporting the Holcim Group treasury team is a privilege and we are very proud to be part of this successful journey."

Ashley Barnes, Head of Global Payments Solutions, European RTC Countries, HSBC

## Highly Commended Winner Best Cash Pooling Solution

### Ricoh Europe Finance Ltd

Peter Graham, Regional Treasury Manager



Kewal Kotecha, Peter Graham, Ricoh Europe Finance Plc and Cara Savas, HSBC



Headquartered in Tokyo, Ricoh Group has major operations throughout the world and its products and services reach customers in approximately 200 countries and regions.

## Ricoh implements post-Brexit cash pooling solution using Ireland

### The challenge

Due to Brexit, the company's existing liquidity structure would not have been fit for purpose to accommodate new EEA entities into its cash pool due to revised legislation in place. Ricoh therefore sought an alternative to its UK structure as a key objective.

With well over 100 accounts already participating in the UK multi-currency notional pool, Ricoh had to carefully consider the location when looking to restructure the solution. Effectively the whole cash management relationship would also need to be reviewed as the location of accounts may be required to change. The need for additional documentation to be completed and internal practices regarding the day-to-day cash management for Ricoh had to be factored into any decision, as well as the real cost in terms of time and resources.

### The solution

This was a unique opportunity for HSBC to create an innovative solution which limited change to the existing multicurrency notional pool in London whilst enabling the use of its significant investment in global liquidity solutions. It also highlighted the close relationship Ricoh has with the bank and involved significant effort from both teams. Ricoh operates a highly efficient treasury function with a key objective

to recycle group cash across a significant number of operating entities in multiple regions. This solution enabled that.

### Best practice and innovation

Multiple options were discussed with the Ricoh Treasury Team in London to meet their objective, this included moving the location of the UK pool to an EEA location (the Netherlands and Ireland were offered); creating a multi-entity virtual account structure or creating a sub-pool in an EEA entity that would balance the existing UK structure.

After consultation, Ricoh felt the most effective option would be to create a sub-pool as it was the path with least resistance. By creating a sub-pool in Continental Europe (Ireland was selected), this would enable the European entities to consolidate the cash positions into a location where non-resident entities could hold their EEA account. These accounts would then have a wrap-around multi-currency notional pool which would allow the UK to either fund or defund the pool based on the net balance. The chosen solution allowed HSBC Global Liquidity Solutions 'Drain the Pool' functionality with carefully timed sweeps to centralise as much cash across multiple currencies for the benefit of the Ricoh Group.

By creating this, it reduced the workload on the Ricoh team and delivered a streamlined liquidity structure enabling full control of cash positions across the globe whilst ensuring compliance with the enforced legislation created by Brexit.

### Key benefits

- Cost savings.
- Interest enhancement.
- Future-proof solution.
- Improved efficiencies.

The solution provided has enabled Ricoh to retain a comprehensive, effective liquidity solution whilst adhering to the new legislation. The challenges of either creating a new account structure or modifying the location would have created an abundance of man hours from both Ricoh and its bank. By utilising individuals from both the treasury unit at Ricoh and the cash management team at the bank, the company was able to mitigate the amount of time spent completing documentation to only that which was essential.

Furthermore, the solution is future-proofed which enables and supports any future Ricoh acquisition with an EEA entity component, while anything non-EEA will be added directly into the London pool.

"Regulatory changes resulting from Brexit meant that we had to find an innovative solution to accommodate our extensive M&A programme across Europe. The creation of a linked sub-pool in Ireland has enabled us to eliminate any disruption to our main London pool and to efficiently add all acquired EEA-based companies into our regional pooling structure," says Peter Graham, Regional Treasury Manager.

"Myself and the team were absolutely delighted to have won this award. The amount of time and effort put into completing the project was significant for both Ricoh and HSBC, so to be recognised for this with the prestige of an Adam Smith commendation makes me feel extremely proud for the team."

Peter Graham, Regional Treasury Manager

## Highly Commended Winner Best Cash Flow Forecasting Solution

### SIG Plc

Dan Hitchen, Group Treasury Manager



Dan Hitchen, SIG Plc and Amit Bhalerao, HSBC



Founded in 1957, SIG is a leading pan-European supplier of specialist insulation and sustainable building products and solutions, differentiated through specialist knowledge, product mix and end markets, with over 440 branches across six geographies.

## Construction group SIG builds resilience in cash management refurb

### The challenge

The treasury team at building products supplier SIG Plc were labouring under the weight of paperwork and manual processes. Witness time-consuming and inefficient tasks like downloading bank statements to spreadsheets and daily reconciliation of cash flows across 220+ bank accounts.

The manual collection and consolidation of data from cash flow worksheets across numerous jurisdictions involved multiple entries and validations. And any errors or misreporting could impact the group's access to the liquidity, the lifeblood of the company's daily operations and needed to support strategic initiatives in a challenging business environment. The company was navigating the impact of the pandemic and inflationary spike in energy and raw materials in response to the war in Ukraine.

SIG Plc embarked on a transformative journey to digitise its operational processes as part of a seven-pillar return-to-growth strategy. Treasury wanted a digital forecasting tool that was both user friendly, scalable and easy to implement without creating a significant workload for the internal legal, IT team and operating companies.

### The solution

SIG Plc's global bank, HSBC, was already providing the firm with traditional cash and liquidity management, cards, FX and trade finance services. It was a natural step to ask the bank to support treasury to integrate a contemporary cash flow forecasting (CFF) solution.

A simplified onboarding process meant SIG was up and running with HSBC's CFF platform within 72 hours, pre-loaded with 12 months historical banking data. The technology also has an in-built integrator which allows automated reporting of HSBC accounts from day one. The project was completed within budget and the solution was rolled out globally within two months.

The platform allows the integration and automation of disparate and localised cash flow forecasting processes into one globally connected cash management solution, giving near real-time visibility to senior management. Using the advanced data-analytics within the platform, the team can continually refine the forecasting model to enhance its accuracy. With easy access to data and improved confidence on the forecast numbers, SIG's treasury team can make data-driven decisions that have a profound and strategic impact for the company in an uncertain environment.

### Best practice and innovation

The solution has an in-built data integrator for bank transaction and FX rates and pre-loaded 12 months historical banking data to support forecasting. These innovative product features have not only significantly reduced implementation efforts but replaced reliance on excel with a more efficient and robust solution.

HSBC ran workshops and ongoing analysis to check SIG's requirements to ensure that the final outcome remained aligned with SIG's business needs. The solution was deployed within budget and implemented across over ten business units in just two months, demonstrating efficiency and rapid scalability.

### Key benefits

- Cost savings.
- Number of banking partners/bank accounts reduced.
- Process efficiencies.
- Return on investment (ROI).
- Increased automation.
- Risk mitigated.
- Improved visibility.
- Errors reduced.
- Manual intervention reduced.
- Increased system connectivity.
- Future-proof solution.
- Exceptional implementation (budget/time).

"It certainly reflects the hard work across the business over the last few years. It is nice for the teams to have some external recognition of the hard work they have put in. As they continue to update processes, find efficiencies and ensure that the group is leveraging our banking relationships as much as possible, hopefully there will be more awards in the not so distant future."

"The construction industry has faced unprecedented disruption due to the pandemic and recent global turmoil, resulting in volatility in raw material and energy markets. To overcome challenges, SIG Plc embarked on a journey of treasury transformation to achieve optimal operational productivity – one of seven key pillars of their return-to-growth strategy.

This award recognises the clear vision executed by the treasury team to transform their operations through digitalisation as well as foster a data-driven decision-making culture within the organisation. We are delighted to partner with SIG Plc, supporting their treasury transformation journey with cutting-edge digital solutions. Congratulations to the SIG Plc team from all of us at HSBC."

**Amit Bhalerao, Associate Director, Treasury Solutions Group and Cash Flow Forecasting Commercialisation, Global Payments Solutions, HSBC UK**

## Highly Commended Winner Best Cash Pooling Solution

### Walsin Lihwa

Chen Lei, Head of China Finance

Established in 1966 and headquartered in Taipei, Taiwan, Walsin Lihwa (Walsin) is a leading manufacturer of wires, cables and stainless steel in the Greater China region.

## Currency conundrum: how manufacturer Walsin added RMB to its SAFE cash pool

### The challenge

Walsin's HQ Treasury in Taipei manages a USD cross-border cash pool between its entities in Hong Kong and Mainland China. The liquidity structure has been instrumental in supporting the working capital needs of Walsin's new manufacturing plant in Yantai City in Mainland China, where funding is provided to its Shanghai entity in the form of intercompany short-term USD loans. However, with the increase in USD interest rates over the last few years, intercompany borrowing costs have surged for Walsin's Shanghai entity.

The company sought a quick and simple solution that delivered more cost-effective funding in alternate currencies to meet Walsin's urgent working capital needs in the mainland, while ensuring compliance to China's cross-border regulatory framework.

### The solution

Walsin, together with banking partner, HSBC, innovatively navigated China's regulatory framework, leveraging Walsin's existing cross-border pool between Hong Kong SAR and mainland China, to deliver new internal funding efficiencies via lower-cost currencies, in a quick and compliant fashion.

Given strict controls around cross-border funding, Walsin relied on its bank's expertise in navigating China's regulatory landscape. As Walsin's existing single currency cross-border pooling structure was setup under China's State Administration of Foreign Exchange (SAFE) regulation no. 7, the framework permitted the addition of new currencies (such as RMB) into the pool, without having to undergo additional regulatory approvals.

### Best practice and innovation

The company has added RMB into its existing single-currency cross-border pooling structure, allowing it to make intercompany loans in RMB to replace more costly USD funding.

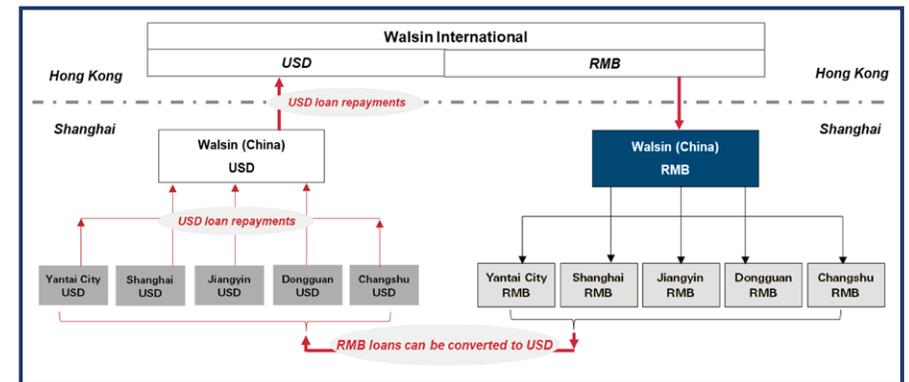
The approach, which is permitted under China's SAFE regulations, allows Walsin to implement the addition within a quick span of just two months without having to go through additional regulatory approvals, to meet the urgent needs of its new manufacturing plant in China's Yantai City.

The new multi-currency cross-border pooling structure also opens up new liquidity optimisation and cost saving opportunities for Walsin at both the HQ and entity levels, including converting the RMB funds into USD to repay existing loans, while Walsin's HQ can also invest the surplus USD from loan repayments to yield higher returns.

### Key benefits

- Cost savings.
- Headcount savings.
- Process efficiencies.
- Increased automation.
- Risk mitigated.
- Improved visibility.
- Errors reduced.
- Manual intervention reduced.
- Future-proof solution.
- Exceptional implementation (budget/time).

### Walsin's multi-currency cross-border pool structure between Taipei and mainland China



"Walsin's innovative multi-currency cross-border pooling solution stands out as a testament to strategic agility in a complex regulatory landscape. By integrating RMB into their existing structure, Walsin not only mitigated rising borrowing costs but also significantly enhanced liquidity management and operational efficiency.

This bespoke solution delivered by HSBC exemplifies our commitment to helping clients navigate regulatory frameworks and deliver tailored financial strategies to optimise internal funding and achieve sustainable growth. Walsin's success highlights the vital role of adaptive treasury practices in navigating the evolving dynamics of global finance."

**Patrick Zhu, Head of Global Banking Corporate Sales, Global Payments Solutions, Asia Pacific, HSBC**



## Section 04

# Operational Excellence

Treasury drives innovative payment and reconciliation solutions, the smooth expansion into new markets or better visibility of banking relationships. We celebrate the Treasury Gamechangers supporting the operational excellence that puts their business ahead.

## Highly Commended Winner Best in Class Treasury Solution in the Middle East

### adidas AG

Marc Andre Mohn, Director, Corporate Treasury  
 adidas Treasury & Finance teams in Germany and Saudi Arabia



Marc Andre Mohn and Marika Zurawski, adidas, Andrea Wells, HSBC and Juergen Drebes, adidas

## adidas

adidas AG is a German athletic and lifestyle apparel, accessories and footwear corporation headquartered in Herzogenaurach, Bavaria, Germany. It is the largest sportswear manufacturer in Europe, and the second largest in the world.

## How adidas got out of the blocks to tap Saudi Arabia's giant market management refurb

### The challenge

Companies all over the world are vying to both set foot in and increase their access to Saudi Arabia's giant consumer market. adidas wanted to leverage on existing growth by opening a local subsidiary to oversee a target of 100+ in-country stores by 2025. The new structure would help the company capitalize on new flagship partnerships with KSA football clubs and the Saudi Pro League.

### The solution

In the summer of 2022, adidas approached HSBC to work with its local bank, Saudi Awwal Bank (SAB). The two banks would work as one bank to provide adidas with a consistent support model.

The implementation began with adidas opening accounts in KSA. These accounts included monitoring visibility via existing host-to-host (H2H) connectivity, as well as the ability to execute payments and receipts. adidas wanted to integrate a liquidity solution from the outset to ensure efficient cash management for the newly founded subsidiary and the company also wanted card collection services in 40 stores to enable customer payments.

SAB ensured adidas consumers were able to use their preferred payment method from day one. adidas also looked for a cash in transit partner and partnered with SAB as a single banking partner in the country allowing full consolidation of the business. This has

allowed the treasury teams both locally and in the head office in Germany, to monitor transactional flows and expedite the rollout of services in KSA in line with adidas' growth in the market.

### Best practice and innovation

In a close cooperation global treasury and local finance teams met the challenging project timeline, demonstrated excellent communication and aligned targets between all involved parties. The whole process has supported consumer experience in KSA, fuelling the company's growth.

More recently, adidas has opted to align its host-to-host connectivity with its global model. This provides consistency allowing for maximum oversight of accounts and better use of cash globally, resulting in greater returns.

### Key benefits

- Process efficiencies.
- Improved visibility.
- Future-proof solution.
- Exceptional implementation (budget/time).

"To be able to accompany such an internationally oriented and professional company in such an important project from zero to full implementation is definitely an outstanding experience."

Thomas Lange, Director GPS from the global support team for adidas at HSBC

"adidas embarked to launch a full market entry in Saudi Arabia in 2022 and started discussions with potential bank providers. After a lengthy selection process supported by various RFPs, adidas decided to implement this project with HSBC.

In collaboration with adidas local and regional colleagues and colleagues in global roles, the necessary parameters were defined in various workstreams and subsequently discussed and refined with HSBC colleagues in the global support team and local SAB colleagues.

This collaboration within the various adidas teams as well as with HSBC and SAB at global, regional, and local level was a prerequisite for the successful implementation of the project."

**Thomas Lange, Director, Global Payments Solutions, HSBC Germany**

## Highly Commended Winner Best Emerging Technology Solution

### Autotoll International

Owen Leung, General Manager



Patrick Zhu, HSBC and Owen Leung, Autotoll International



Founded in 1998, Autotoll is a Hong Kong-based company that provides smart solutions for transportation, logistics, living and the environment.

## Autotoll solution supports Hong Kong's smart city ambitions

### The challenge

Autotoll International Limited (Autotoll) had been pioneering intelligent solutions for more than 25 years in Hong Kong, initially with its electronic toll collection (ETC) for tunnels and bridges.

To realise the strategic goal of developing Hong Kong into a smart city equipped with a cashless economy, Autotoll entered a groundbreaking partnership with PayCargo, a leading international logistics payment platform, to develop an innovative payment system and align with the Hong Kong government's drive towards transforming the intelligent logistics sector.

This partnership aims to enhance payment processing efficiency and expedite the clearance of imported goods with the following goals to:

- Reduce cash and cheque use by digitising cash collections from logistics customers.
- Automate data feed from logistics players to streamline document validation (at docks, ports and airports).

### The solution

Autotoll worked with PayCargo to launch Hong Kong's first large-scale logistics settlement e-platform, enabling digital business-to-business (B2B) transactions within the logistics industry.

Autotoll utilises the following solutions to digitise the end-to-end payment process with HSBC as the sole operating bank of the new e-platform which provides:

- An all-in-one logistics payment platform for faster release of cargo which enables instant settlement of payments.

- Real-time direct debit authorisation via API connectivity with the bank to automatically pull funds from customers' accounts for settlement of payments.
- Host-to-host (H2H) connectivity with PayCargo to automate transmission of data (eg bill of lading, airway bill) for instant document validation of each transaction.
- e-payslips to digitise payment records which are made available on the e-platform for payers to access and retain.

The company is in the process of introducing an e-wallet solution specifically for logistics players to further digitalise the payment process.

The digital proposition is set to transform the city's logistics sector, reducing reliance on physical cash and cheques to speed up shipment and cargo release. This bespoke solution has quickly been adopted by some major air cargo providers. Integration is currently underway with Cathay's cargo terminal for import cargo collection which will help drive digital adoption among other logistics players and drive behavioural changes from within the sector.

### Best practice and innovation

This solution has introduced real-time direct debit and H2H and API technologies to obtain visibility into vendor data and payment transactions. The solutions automate customer collections and map payments against underlying documentation to streamline the reconciliation processes for Autotoll, enabling the company to offer a fully digitised payment process and enhanced customer experience.

For customers and the logistics industry as a whole, the new service, which is expected to go live by the end of 2024, will eliminate cash and cheques and reduce manual effort associated with traditional paper-based trade transactions, speeding up cargo release times. The all-in-one payment platform also delivers cost efficiencies by alleviating the need for customers to build out their own in-house logistics systems which often bear large development and maintenance costs.

### Key benefits

- Cost savings.
- Headcount savings.
- Number of banking partners/bank accounts reduced.
- Process efficiencies.
- Improved key performance indicator (KPI) metrics.
- Return on investment (ROI).

- Increased automation.
- Risk mitigated.
- Improved visibility.
- Errors reduced.
- Manual intervention reduced.
- Future-proof solution.

This critical transformation will help Autotoll contribute to Hong Kong's trade growth and power the city's ambition to become a leading international maritime and logistics hub.

"The smart payment platform is expected to be a game-changer for Hong Kong's logistics players as we combine faster payments with automated data transmission to speed up the end-to-end cargo release process. We are thrilled to pioneer the first-of-its-kind solution and play an instrumental part in digitalising Hong Kong's logistics sector to accelerate the government's smart city ambitions," says Owen Leung, General Manager.

"We are incredibly proud to be able to partner with Autotoll in revolutionising Hong Kong's logistics sector through the launch of the first large-scale smart e-platform for digital payments. By leveraging API and host-to-host technologies, we streamlined cash flow processes, significantly reducing reliance on cash and cheques.

With a shared vision for a cashless economy, the partnership between Autotoll and HSBC will not only enhance operational efficiency for logistics players but also help position Hong Kong as a leading logistics hub that drives economic growth and digital transformation across the region."

**Violet Yung, Head of Global Banking Corporate Sales, Global Payments Solutions, HSBC Hong Kong**

## Highly Commended Winner Best in Class Treasury Solution in Latin America

### Danone

Paulo Oliveira, Head of Treasury



Fernando Navarro, HSBC and Paulo Oliveira, Danone



Danone is a leading multinational food products company headquartered in Paris, France. The company is present in more than 120 countries and operates with more than 100,000 people across 190 factories.

## Robotics process automation solves reconciliation headache at Danone

### The challenge

Payment reconciliation was a challenge for Danone's Brazilian business. Nearly half of the food company's customers used so-called key accounts, paying for goods via wire transfers with minimal payment details that often entailed just putting in the transaction date and payee name.

Not only was Danone having to process 350,000 invoices in this format a year. The key account customers made the process even more complicated by consolidating several invoices into a single payment without including details such as invoice due dates, discounts, commercial agreements and proprietary codes, creating further reconciliation complexities.

The Danone team had to log onto web portals to extract data (in various formats, files and codes) to export into spreadsheets; manually reconcile payments against invoices and then upload the data into the company's ERP system. In many cases, the team would have to contact the respective key accounts to clarify doubts, missing codes and other errors.

The costly and cumbersome process took two to three days to complete, impacting days sales outstanding (DSO) and cash flows, as well as creating operational and credit risks for the business.

### The solution

Danone wanted to introduce a fully automated solution to streamline its own reconciliation process

and cash flows, as well as reduce disputes and improve relationships with its key account customers.

Danone pioneered the first use case of robotics process automation (RPA) equipped with intelligent matching capabilities to automate reconciliation of more than 300,000 invoices in 2023 – representing 90% of invoices from key accounts.

The customised solution delivered by HSBC, in partnership with a technology provider, provides a direct interface between Danone's ERP and web portals of its key account customers. This enables Danone to reduce its turnaround time by two to three days; improve its DSO, enhance cash flow forecasting accuracy and streamline liquidity.

### Best practice and innovation

The technology can capture information off payment orders; it can automatically capture emails with various attachment formats and information in the email body, electronic data interchange and other connections, consistently and reliably extracting key information.

It combined with HSBC's exclusive matching engine that can interpret and classify captured information to generate standardised formats that fit with Danone's business rules and considerations. All information is published on a secure web portal that analysts in the credit and collection function can easily access for reconciliation purposes.

The payment application is also automatic, going through to Danone's ERP via an interface that complements all the application scenarios defined within the implementation project.

### Key benefits

- Cost savings.
- Headcount savings.
- Process efficiencies.
- Increased automation.
- Risk mitigated.
- Errors reduced.
- Manual intervention reduced.
- Increased system connectivity.
- Future-proof solution.
- Improved key performance indicator (KPI) metrics.

"We have effectively utilised RPA to automate mundane treasury tasks, improving reconciliation accuracy and cash forecasts to enhance our business – making us a pioneer in leveraging the disruptive technology in Brazil."

Paulo Oliveira, Head of Treasury

"In Brazil, reconciliation used to be a challenge for key food suppliers like Danone, mainly for receivables from key account customers that used to pay goods via simple wire transfers.

Leveraging HSBC's tech partnership, Danone's account receivable ecosystem is now equipped with the necessary capability to effectively manage reconciliation while minimising internal IT efforts that would otherwise be needed to manage the various web portals across its key customers which are subject to constant layout changes.

The reduction in errors and improvements in productivity have subsequently translated to less disputes to strengthen client relationships while enhancing Danone's own financial key performance indicators."

**Fernando Navarro, Head of Sales, Global Payments Solutions, HSBC Brazil**

## Highly Commended Winner Harnessing the Power of Technology

### GEMS Education

Edward Senior, Group Chief Financial Officer



Jyotin Jauhar, HSBC



GEMS Education is the largest provider of Kindergarten to Year 12 education in the Middle East. Headquartered in Dubai, GEMS' portfolio comprises 41 schools in Dubai, two in Qatar and 17 in the UK.

## GEMS' overhaul brings lessons on bank rationalisation and cash visibility

### The challenge

GEMS' group treasury team was looking for a more enhanced view of the group's daily total cash balances and the payments, seeking a real time view of global liquidity to inform investment decisions. GEMS overriding objective was to transform its treasury function and move to a more efficient and effective centralised treasury model that would integrate international markets in line with the company's growth trajectory.

As a first step, GEMS' treasury refreshed its existing ERP system. Following a comprehensive RFP, the company partnered with HSBC to begin its transformation process.

### The solution

The solution involved rationalising and centralising treasury via creating a dedicated team responsible for managing the group's cash flows, investment and risk management activities. This function was tasked with centralising all cash management processes, including bank account management, cash concentration and payment processing. Next the company drew up a comprehensive policy framework to ensure consistency and standardisation across all schools and business units within the group. The solution also involved rationalising banking relationships and moving away from multiple relationships, HSBC with its international reach, was selected as a single, core banking partner,

able to open accounts across GEMS' five markets. Under a master profile in the UAE, the solution created a single login access available across all markets. Aligned to a fully centralised treasury structure, it gave improved visibility and control across geographies.

The solution built robust bank connectivity and upgraded GEMS' ERP to Microsoft Dynamics 365 for improved connectivity for cash management activities. This was integrated with HSBC's host-to-host platform using treasury APIs connectivity and SWIFT MT940 to provide end-of-day statements for cash balance visibility.

GEMS treasury now has real-time information on cash flows, bank balances and financial transactions for accounts with HSBC, transforming the efficiency and speed of its cash management processes.

In another initiative payment centralisation led to straight through processing (STP) with GEMS centralising all its payments through its existing payment factory set-up providing a single point of control for all payment transactions. Integrating the payment factory and ERP with the HSBC banking system using the treasury API modules, enables in-country payments files to be submitted through host-to-host connectivity with treasury HQ still having control. Using standardised payment formats and implementing STP has automated payment processes from initiation to execution, optimising their operations and removing manual intervention.

Next, seeking a customised solution for cheque payments, GEMS used HSBC's Remote Cheque Printing (RCP) solution. The company can now pass instructions from its payment factory where cheques are directly printed in the GEMS premises. A comprehensive reporting (standard and configurable) was provided through HSBCnet, enabling automated payment reconciliation across all markets. As part of the instruction, Payment Advising also delivers payment confirmations to nominated email address of recipients.

### Best practice and innovation

Streamlining and enhancing GEMS treasury across multiple countries has been a significant undertaking for the company. It required investment in internal resources to push through and execute leading edge payments and digital solutions across its large portfolio of 60 schools in five countries. It also reduced the number of banking relationships, improved connectivity and optimised cash management structures.

### Key benefits

- Rationalised relationships with a single core banking partner and simplified account structure – opportunity for GEMS to close 100+ accounts.
- Centralised treasury functions to gain visibility and control over accounts through the bank's online portal.

- Provided an optimal liquidity structure with yield enhancement for surplus cash of an additional US\$350,000.
- A Liquidity Management Dashboard provided real-time visibility of cash and reporting 24/7 with third-party bank reporting.
- Improved CFF accuracy, quality and consistency to become more efficient in its overall Treasury management.
- Introduced a centralised payment factory to automate and streamline existing payments processes.
- A future-proof system now uses an efficient connectivity solution of Treasury APIs integrated with ERP and bank host-to-host connectivity to make STP payments and automated matching to minimise manual reconciliation processes.
- Enhanced visibility, control and security of transactions, resulting in 24/7 real-time access to accounts.
- Further streamlined and automated receivables collections across all existing and new instruments through the use of Digital Cheque Scanners, Smart Cash Deposit Machines and direct credit of online receivables.
- Decreased administrative burden on employees and cost saves.

Overall winner

**Best in Class Treasury Solution in India**

**Shell – Sprng Energy Private Limited** (and its group of subsidiaries)

Teo Yian Ping, Treasurer Asia Pacific  
 Yogesh Yadav, CFO Sprng Energy



Alfred Kiong, Manoj Phadke, Mihir Panchmatia, Shell, Zohair Ahmed, HSBC, Teo Yian Ping, Sue Lyn Goh and Chong Chin-jia, Shell



Shell Treasury Centre East (Pte) Ltd. (STCE) conducts, coordinates and manages treasury operations within the Shell group of companies to meet various treasury requirements including foreign exchange and borrowings.

## Acquisition integration: how Shell onboarded treasury at Sprng

### The challenge

Following the acquisition in August 2022 of its largest renewable acquisition, Sprng, it was imperative to quickly integrate the new company into Shell.

Sprng operated a cluster of 38 special purpose vehicles (SPVs) with projects across operations, construction and early development and each segment had different processes, so Shell needed to tackle challenges relating to:

- Multiple banking relationship and numerous bank accounts.
- Optimisation of onshore surplus liquidity as heavy investment was needed for Sprng's SPV projects.
- Quick implementation of loan and trade facilities as bank guarantees and letters of credit (LC) are critical for Sprng to secure its commercial contractual obligations.
- Navigating India's regulatory landscape of strict capital, FX constraints and heavy compliance in delivering efficient cross border and local funding solutions.
- Managing complex payments and collections requirements.
- Managing new business and funding opportunities, such as establishing a Foreign Venture Capital Investment (FVCI) custodian account for cross-border funding as well as an Indian Energy Exchange (IEX) trading account.
- Cumbersome manual processes which are inefficient and vulnerable to human error.

### The solution

Shell worked closely with HSBC to transform Sprng's banking organisation and seamlessly integrate it into Shell's overall infrastructure, all whilst ensuring compliance with India's regulatory regime as well as Shell's own corporate governance.

The achievements are a testament to the world-class and visionary partnership between Shell and HSBC to co-create multiple innovative solutions, to deliver unparalleled banking capabilities, commitment and service to operate in India. The out-of-box innovations include the first cash pool structure for renewable-specific companies, first optionally convertible debenture (OCD) and intercompany loans in India for Shell. These are fully compliant with local regulations as well as Shell's own governance framework. This has delivered scale and top-notch implementation to enable the robust treasury transformation in record time.

Most notably, through close collaboration with HSBC, Shell has delivered a comprehensive and transformative treasury solution to Sprng Energy that addresses the critical fund management needs of Sprng's growing business and enable seamless integration of the newly acquired business into Shell's overall banking infrastructure. These solutions ensure optimal impact with minimal disruption to Sprng's business.

### Best practice and innovation

Shell has set a benchmark for treasury best practices by utilising a primary bank model approach to meet Sprng's banking needs, especially for a complex renewables business operating in India's highly

regulatory environment. By combining best in class treasury technology tools and customised solutions in cash, liquidity, investment and FX management as well as funding, both Shell and Sprng have achieved greater automation and centralised treasury control to drive operational efficiencies within its fast-growing business.

The group also demonstrated its innovative mindset in solutioning, working closely with HSBC to customise solutions to cope with Sprng's business needs. These include designing multiple multi-entity cash concentration structures to support Sprng SPVs at various lifecycles, mapping out alternative ways to inject capital in the form of OCDs, manage FX risks using a holding company/ treasury centre to hedge OCDs via onshore and offshore markets, as well as exploring ideas on reducing trapped cash in India through collateralised lending, LC discounting and payment-on-behalf-of (POBO) structures.

Leveraging sophisticated ERP and connectivity solutions, Shell will equip Sprng with fully automated solutions that reduce manual efforts, empowering

Sprng's teams to focus on meeting strategic priorities rather than funding and banking concerns.

### Key benefits

- Cost savings.
- Headcount savings.
- Number of banking partners/bank accounts reduced.
- Process efficiencies.
- Increased automation.
- Risk mitigated.
- Improved visibility.
- Errors reduced.
- Manual intervention reduced.
- Increased system connectivity.
- Future-proof solution.
- Exceptional implementation (budget/time).

"HSBC's partnership with Shell in the integration of Sprng Energy marks a milestone not just for us, but also for India's renewables sector. Together, we have achieved seamless integration – leveraging digitisation, innovative financing options and regulatory understanding to unlock new opportunities.

The ability to effectively navigate local nuances, tenacity in exploring new treasury best practices and agility in adapting to the unique needs of the renewables sector, were key contributing factors to this achievement, enabling Shell to set a benchmark for excellence in the industry. A truly wonderful accomplishment for Shell!"

**Manoj Dugar, Co-Head of Global Payments Solutions, Asia Pacific, HSBC**

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