

## From SEPA towards Industry 4.0

- what is possible today in Cash Management
- and what will technology bring in the future ?

*Martin Schlageter, Head of Treasury Operations*

*Denis Reneau, Head of Treasury Systems*



# Basic facts at a glance



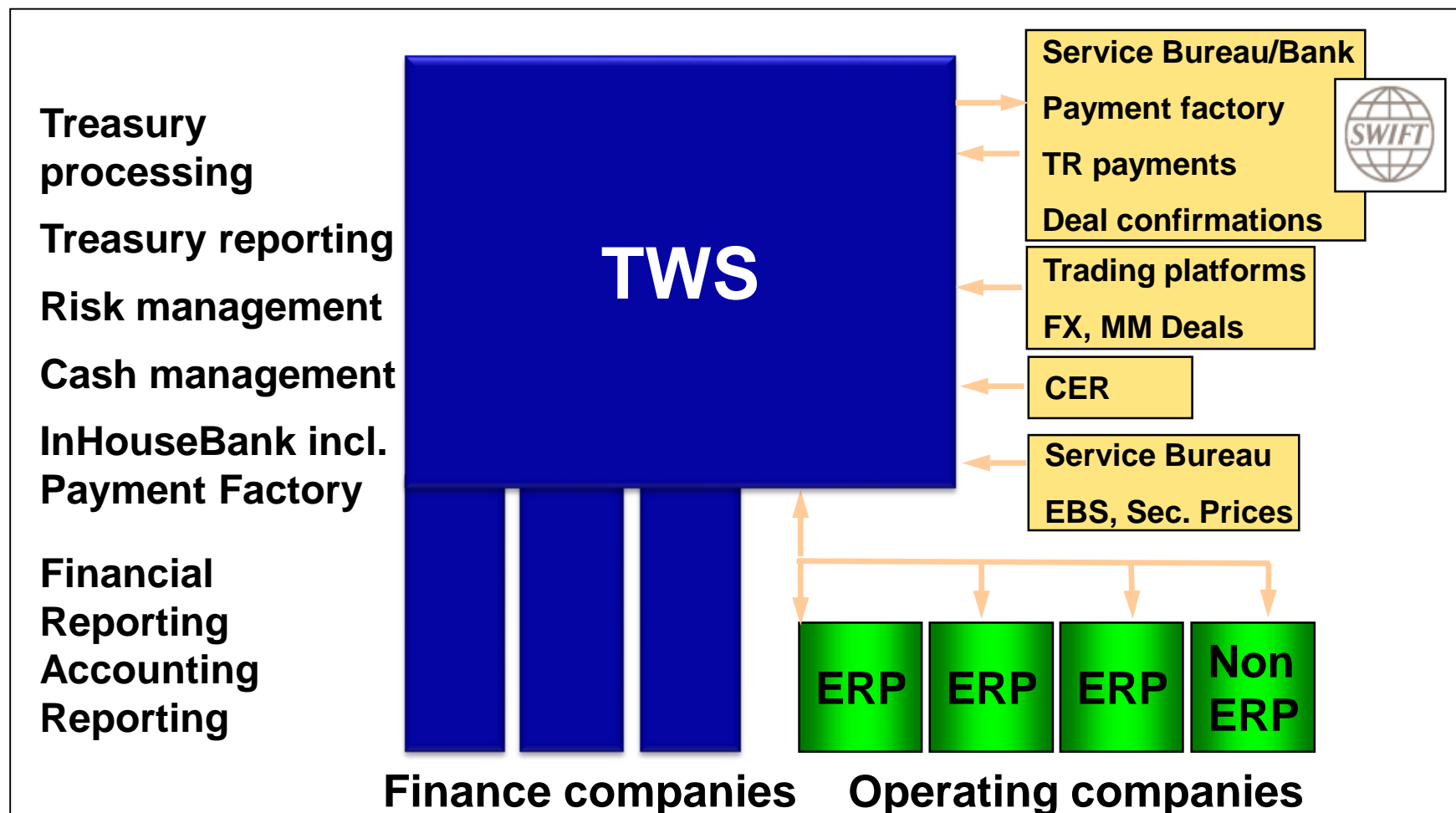
- Founded 1896 in Basel, Switzerland
- Founding families still hold majority stake
- Employing 91,700 people
- Currently active in 150 countries on all continents
- 2015 – sales of 48.1 billion Swiss francs
- 2015 – 25 million patients treated with one of Roche's top 25 selling medicines
- 2015 – 15 billion diagnostic tests performed
- Clear focus on healthcare
- Leadership in pharmaceuticals (#3)\*
- World's largest biotech company (position #1)\* with truly differentiated medicines in oncology, virology, inflammation, metabolism and CNS
- Leadership in *in vitro* diagnostics (#1) and pioneer in diabetes management
- Unique innovation model

# Roche Group Treasury

## *Set-up*

- **Centralised organisation in Basel, Switzerland**
  - No regional Treasury Centers
  - 1 dedicated IT-support team
- **1 Treasury IT-system = Group ERP-system**
  - Technology = key to become preferred service-partner for divisions / business
  - Treasury = center of excellence for A/P, EBS as well as A/R
  - Treasury IT-system sole link to external banks (in & out)
  - Treasury IT-system covers all aspects of Treasury

# Roche's Treasury IT infrastructure



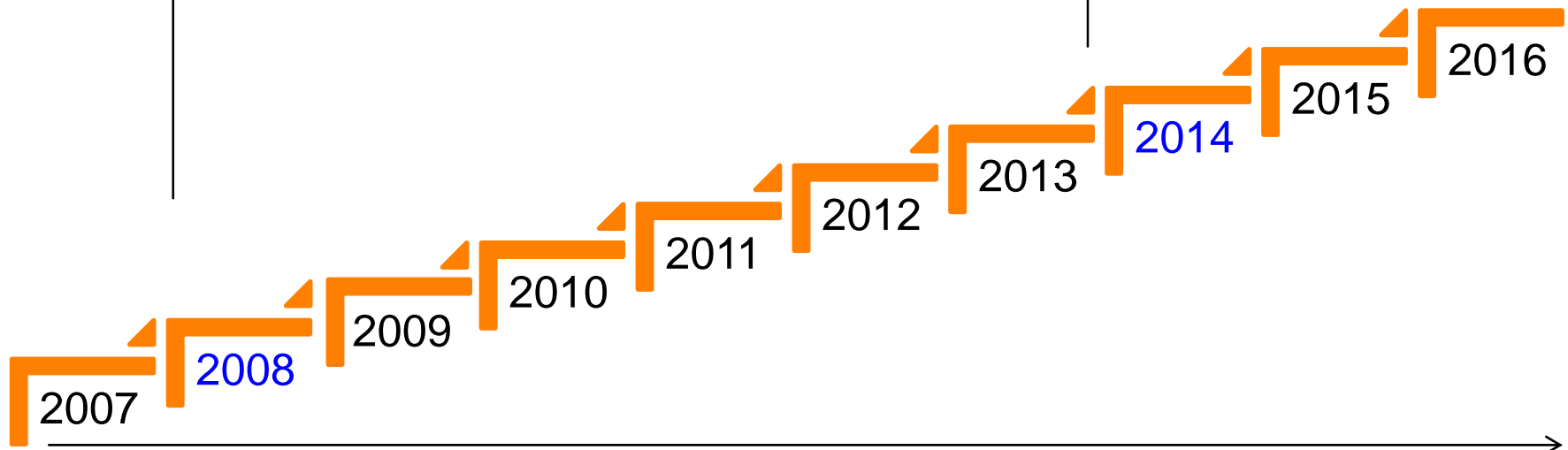
# SEPA milestones

Jan. 2008

SEPA pan-European payment instruments become operational > no cross-border fees on EUR-payments within EUR-zone

Aug. 2014

Single Euro Payments Area (SEPA) becomes fully operational in all Eurozone countries (IBAN, BIC, XML)



# A Decade of Transformation

## CENTRALIZED TREASURY

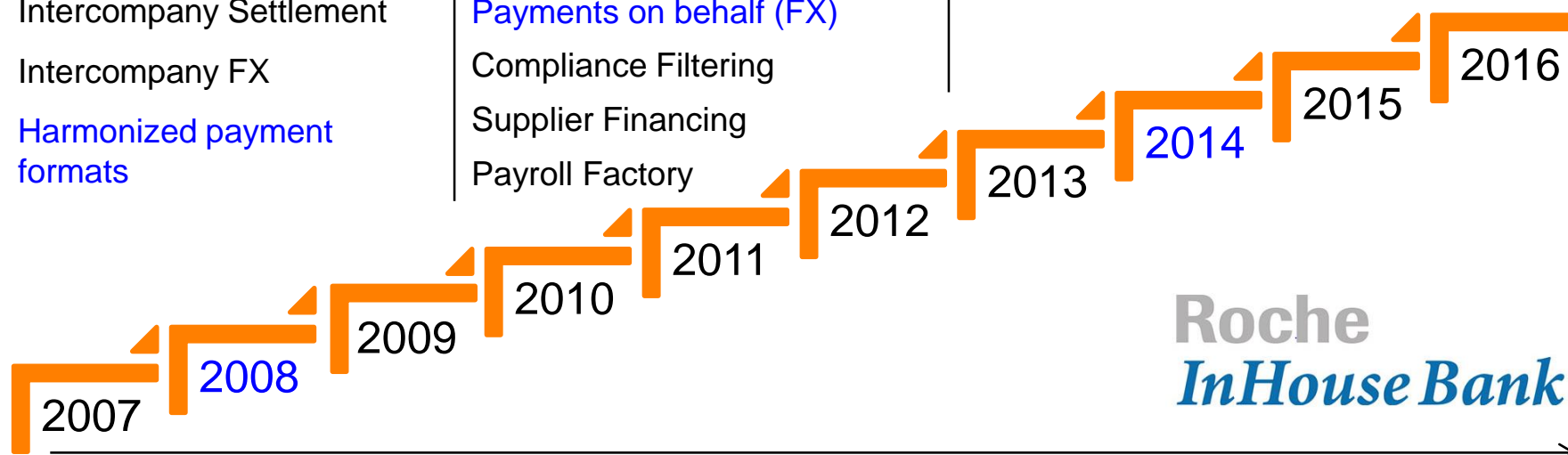
Core Bank principle  
Regional CM banks  
Cash Pooling  
Central EBS  
Intercompany Settlement  
Intercompany FX  
Harmonized payment formats

## PAYMENT FACTORY

Swift for Treasury Payments  
Swift for all low value payments  
Swift for Treasury confirmations  
Payments on behalf (FX)  
Compliance Filtering  
Supplier Financing  
Payroll Factory

## BANK-FREE AFFILIATE

Collections on behalf  
Payments on behalf (local)  
Salaries, Taxes on behalf  
Guarantees, LCs on behalf



# What systems will technology bring in the future ?

## *Food for discussions for the working group #1*

- Enhanced ERP-solutions (eg S/4Hana by SAP) ?
- Cloud solutions ?
- Combination «on premise & cloud» ?

### **In 5 years from now:**

-> where do you see your Corporate IT infrastructure ?

-> where do you see your Treasury IT infrastructure ?

# What will technology bring for Treasury in the future ?

## *Food for discussions for the working group #2*

- **Real time payments (eg Global Payments Utility by Swift)**
  - real time statements / cash position
  - enhanced reference details
- **Providers: Banks or new FinTechs ?**
- **Mobile payments capabilities**
- **Digital currencies**
- **Blockchain (eg Custody, Trade Finance)**
- **Predictive analysis (eg Cash Forecasting, FX-trends)**