



FTI CONSULTING Office of the CFO Solutions



MARKET ANALYSIS

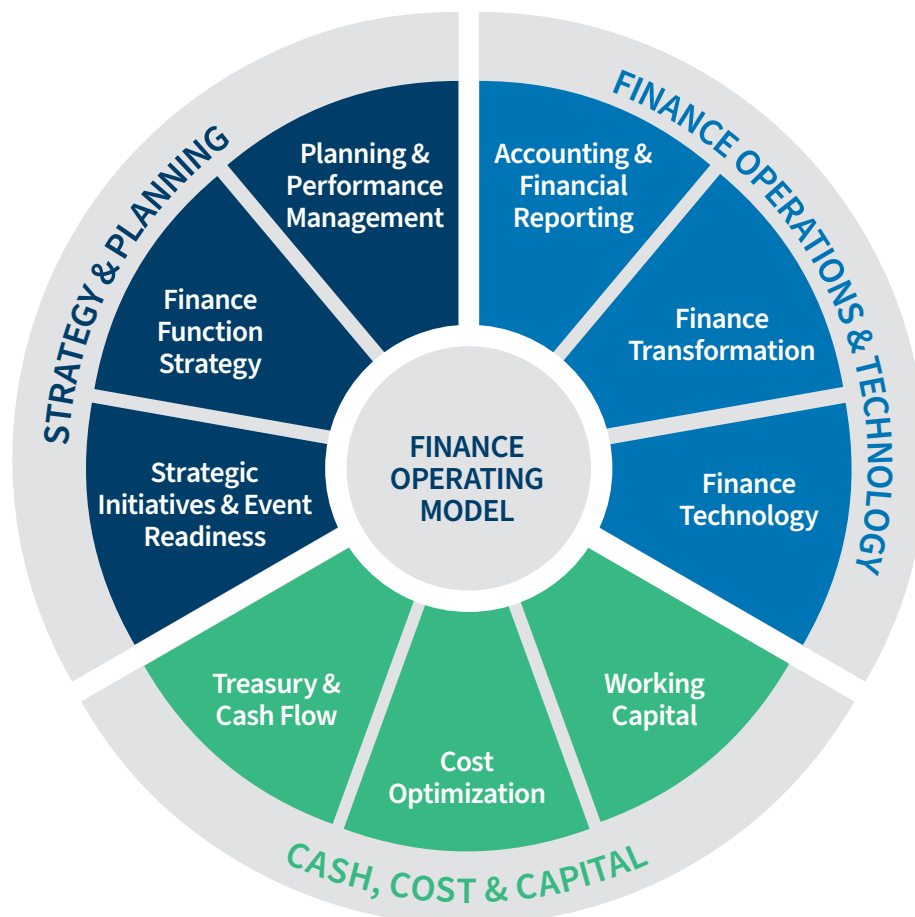
STATISTICAL DATA

FTI Consulting's Office of the CFO Solutions is dedicated to helping CFOs and Finance leaders

Chief Financial Officers face increasing challenges and demands that require balancing traditional Finance responsibilities with strategy, performance and operations, in addition to managing risk, talent and stakeholders.

The Office of the CFO ("OCFO") Solutions practice, FTI Consulting's Finance Center of Excellence, provides solutions to help Finance functions optimize performance while supporting CFOs to drive enterprise value and business strategy. Our solutions focus on delivering impactful results, from strategy and assessments to implementation and interim management.

CFOs and Finance leaders in every sector and industry are facing increased challenges and demands from boards of directors, stakeholders and other constituents. To deliver on these demands and drive enterprise value, today's CFOs must be able to balance traditional finance responsibilities with a focus on strategy, performance and operations while managing risk, talent and stakeholders. FTI Consulting's OCFO Solutions practice drives business strategy and delivers dynamic results.





MARKET SHARE



Market share of the leading company in the industry.



Market share of the second leading company in the industry.

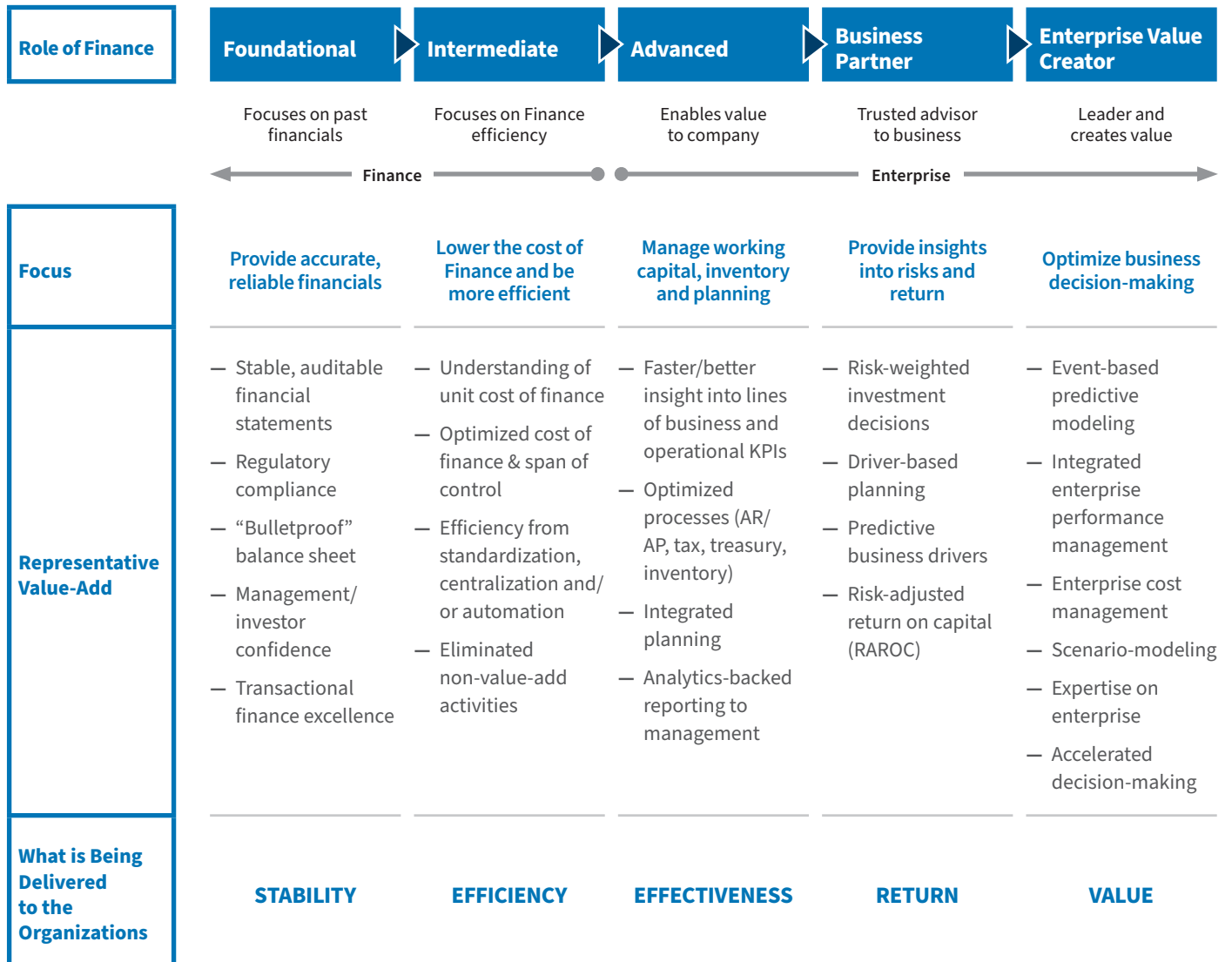


Market share of the third leading company in the industry.



We work across all levels of Finance maturity

As CFOs progress into better business partners who can create value across the enterprise, they are expected to be value-driven strategists to their organizations. FTI Consulting's OCFO Solutions helps clients at any point in their Finance function's maturity level. From achieving stability to creating value, our professionals take a tailored approach to each Finance function's needs.



Strategy & Planning

To help you create value for your organization and enhance its decision-making capabilities, we implement solutions that build confidence, clarity, controls and consistency. Enhanced by innovative engagement tools, we offer you strategies and solutions to drive value and improve risk management.



Planning & Performance Management

We improve the execution of enterprise reporting business planning and business intelligence strategy leveraging best practices and technologies.

- Financial Planning & Analysis (FP&A)
 - Planning, Forecasting & Budgeting
 - Financial Modeling & Decision Support
- Performance Reporting & Analytics
- Enterprise Performance Management (EPM)



Finance Function Strategy

We define and execute strategies that optimize the Finance operating model, align cost and service levels to business objectives, and position CFOs to succeed through delivering value to the enterprise.

- Finance Strategy & Vision
- Organizational Design
- Technology Architecture
- Finance Operating Model Design
 - Shared Service Organization (SSO)
 - Global Business Services (GBS)
 - Business Process Outsourcing (BPO)
 - Center of Excellence (CoE)
- Talent Assessment



Strategic Initiatives & Event Readiness

We work across a transaction life cycle to advise corporate and financial clients to strategize, structure, integrate, diligence, value and offer support around a transaction.

- Corporate Development
- M&A Strategy
- Merger Integration & Carve-Out
- IPO, SPAC and Transaction Readiness
- Due Diligence Support

CASE STUDY

ASSESSED AND EXECUTED FINANCE STRATEGY TO IMPROVE PERFORMANCE FOR A \$5B MANUFACTURING COMPANY

SITUATION

The client, a U.S. consumer goods manufacturing company, initially engaged FTI to provide an end-to-end assessment of its finance processes and systems following a large reduction in the finance and accounting staff as well as a series of acquisitions.

As a result of the assessment, the client's finance strategy included improving reporting and forecasting processes, rationalizing the global chart of accounts (CoA), developing an integrated, driver-based three-statement model and implementing a new enterprise performance management (EPM) system.

OUR ROLE

FTI Consulting served as the finance strategy and transformation lead to help execute against the strategic roadmap.

Our teams worked on:

- Rationalizing the existing Global CoA, streamlining the number of dimensions and accounts and optimizing the CoA
- Developing CoA functional mapping to integrate during EPM implementation and improve CoA governance processes
- Developing an integrated, driver-based, rolling three-statement model enabling scenario analysis and insight into cash flow
- Standardizing forecasting and reporting templates to be implemented across the company that will integrate into the company's EPM with automation capabilities
- Creating the EPM implementation blueprint for system implementers, outlining technical requirement and business needs
- Designing a simplified business planning and reporting cycle and managing the reporting output for budgeting, forecasting, headcount and capital planning
- Reducing the risk of complications, delays or failure of the EPM implementation

OUR IMPACT



Reduced Global CoA to 32% and established a new governance process to further streamline to ~25% by 2025

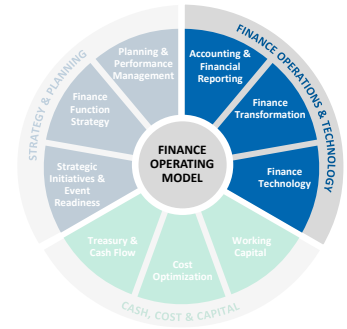


Built the company's first consolidated and automated financial reporting system, providing insights at the plant level



Automated management reporting, including an integrated P&L, balance sheet and cash flow by Day 3 of close

Finance Operations & Technology



Every CFO is tasked with improving the way Finance operates and how it responds to changing business dynamics. CFOs rely on FTI Consulting as their trusted advisors to arm them with data analytics, tool sets and insights that improve Finance’s ability to add value to the business decision-making process. We collaborate with CFOs and their teams to provide transformation services.



Accounting & Financial Reporting

Build technically sound and integrated accounting functions by improving the productivity and efficiency of people and processes, closing critical skill gaps by providing the right on-demand support, and assisting with complex accounting matters.

- Controllership & Audit Support
- Financial & SEC Reporting
- Complex Transaction & Technical Accounting
- Controls Remediation
- Close Process Acceleration
- Accounts & Legal Entity Rationalization



Finance Transformation

Assess the finance function and enabling technologies, develop focused transformation roadmaps, design and implement solutions, and improve and automate processes to increase efficiency and better support enterprise strategy.

- Assessment & Roadmap
- Finance Operating Model Optimization & Implementation
- Finance Process Improvement & Automation
- Transformation Management Office
- Training & Capability Development



Finance Technology

Plan, execute and optimize finance technology to deliver business insights, automate processes, integrate systems, provide a single source of truth, enhance collaboration with Finance and enable adoption of the latest technologies.

- Assessment & Roadmap
- Finance Data Management
- Robotic Process Automation (RPA+)
- Finance Systems
 - Evaluation & Selection
 - Rationalization & Optimization
 - Implementation Planning & Management
- Merger Integration & Separation Support
- IT Cost Transparency

CASE STUDY

FINANCE TRANSFORMATION FOR \$1B TECHNOLOGY COMPANY TO SUPPORT AGGRESSIVE GROWTH STRATEGY AND ACCELERATE ACQUISITION INTEGRATION

SITUATION

The client, a global technology company, had experienced a recent change in ownership and was pursuing an aggressive growth strategy and potential future IPO.

To execute on its growth agenda, the client commenced a multi-year Finance transformation with a key focus on shared services leveraging SAP Central Finance.

The client engaged FTI to lead and manage the overall Finance transformation program, and to select a system implementer (SI) for the company's SAP S/4HANA Central Finance implementation as well as drive the project management office (PMO).

OUR ROLE

FTI Consulting managed the PMO for all Finance transformation initiatives to ensure the overall program's success, including the critical SAP S/4/HANA Central Finance implementation workstream. Our teams worked on :

- Strengthening the client's Finance function to better support its aggressive growth strategy and its ability to accelerate acquisition integration and synergy realization
- Developing regional Global Business Service Centers to enable adoption across additional G&A functions, as well as creating centralized, scalable transaction processing, reducing financial and business risk, and lowering the cost of back-office services
- Supporting the owner's "exit strategy" and increasing shareholder value by ensuring real-time visibility into financial results, strengthening the controls environment and preparing for an IPO

OUR IMPACT



Established regional, multi-functional Shared Service Centers to centralize transactional activities and to build scale, identifying ~\$3.0 million in annualized savings



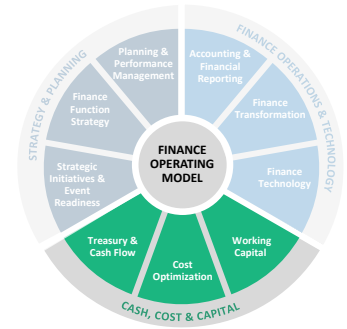
Managed the system integrator selection process to implement SAP Central Finance



Developed and designed a global chart of accounts to optimize Finance master data and accelerate harmonization of global processes and controls

Cash, Cost & Capital Management

Organizations that optimize working capital and reduce enterprise costs pave the way to transformation, growth and competitive advantage. Your goals are our goals: to create and maintain a stable, efficient organization, implement solutions that maximize performance, and lead your transformation from good to great, all in the most cost-effective ways.



Treasury & Cash Flow

Deliver solutions to drive incremental improvement and optimization into forecasting, risk management, and capital visibility. We support companies in rationalizing and maximizing treasury operations and liquidity.

- Cash Flow & Liquidity Forecasting
- Controls, Policies & Governance
- Banking Structure & Cash Management
- Financial Risk Management
- Debt Capacity & Capital Funding Support



Cost Optimization

Optimize the cost structure of the Finance function and G&A platform through the design and implementation of strategic cost and operating model transformation initiatives.

- Organization Rightsizing (Spans & Layers)
- Global Business Services
- Outsourcing
- Digital Transformation
- Finance Benchmarking and Target Setting
- IT Spend Analysis and Contracts Rationalization



Working Capital

Provide transparency to data that informs operational decision-making, improving efficiency and operational excellence to actively and strategically manage working capital.

- Cash Conversion Cycle
- Process Optimization
 - Order-to-Cash
 - Forecast-to-Fulfill
 - Procure-to-Pay
- Reporting and Dashboarding

CASE STUDY

COST OPTIMIZATION & OPERATING MODEL TRANSFORMATION FOR A \$3.5B RETAIL COMPANY REALIZES OVER \$160M IN ANNUAL SAVINGS

SITUATION

The client is a global specialty retailer and distributor with nearly 30,000 employees and more than 5,100 owned and franchised stores.

The CEO engaged FTI Consulting to review its SG&A, distribution, and product cost structure in order to identify \$25 to \$50 million in cost savings.

The engagement focused on six key areas:

- G&A and Field Streamlining
- Store Labor Optimization
- Inventory Optimization
- Own-Brands Sourcing
- Indirect Sourcing
- Distribution Network Optimization

OUR ROLE

In collaboration with FTI Consulting's Retail Industry experts, our team started with a 7-week assessment which identified ~\$77 million in initial savings opportunities. Our teams worked on:

- Conducting a rapid review of the client's G&A cost structure based on financial and operational data and management interviews with key business and functional leaders at the client
- Understanding G&A spend by function, including headcount and cost benchmarking, service delivery model analysis, compensation analysis, spans and layers review and real estate analysis
- Implementing recommendations to optimize the G&A platform including:
 - Establishing headcount reduction, savings and spans targets for a new G&A structure
 - Developing the future-state organization structure in alignment with the targets
 - Facilitating the "casting" process in coordination with HR and Legal and developing a model to quantify top-line savings and cost-to-achieve

OUR IMPACT



After the first wave of implementation, the company was on track to realize ~\$88 million in savings with an additional ~\$72 million in savings realized in the second wave



Reduced 16.5% of the G&A workforce without disruption to the business and realized annualized top-line savings of ~\$21 million



Increased span of control from 3.9 to 5.1; designed and deployed an optimized G&A organizational structure



————— We work with FTI Consulting's Technology Transformation Practice to bring
————— a strategic and business perspective to clients as well as deep expertise in
the most advanced areas of technology. The span of our skills includes IT
modernization, digital transformation, enterprise data management, robotic
process automation (RPA), cybersecurity, governance and compliance and
machine learning (ML) and artificial intelligence (AI).

We deliver a unique client experience

A commitment to delivering excellent service is central to our culture.

Clients choose FTI Consulting's Office of the CFO Solutions because:

We are FTI Consulting's Finance Center of Excellence. We are a specialty practice that helps you tackle challenges quickly, execute efficiently and deliver real results.

We are hands-on. We are action-oriented in our collaboration with clients and have a reputation as the "get it done" firm with pragmatic solutions.

We bring comprehensive solutions tailored to your needs. We understand that Finance challenges may range from tactical to transformational, and we take pride in helping our clients in their respective stages of Finance maturity.

We stand out with our delivery. We know how to engage with internal and external stakeholders, including the C-Suite, investors, lenders, auditors, lawyers, customers and suppliers, to drive finance initiatives forward.

We have the experts. Our professionals range from former CFOs of large organizations to past controllers, FP&A leaders, treasurers, accountants, auditors and more.

When you work with FTI Consulting, you can expect:

Professionals that put your interests first and work with a collaborative spirit.

Practical and actionable recommendations to create value and mitigate risks **from people who have done it before.**

An **approach that will be results-oriented**, rooted in facts, data and analysis.

Smaller teams of experts, who are best suited to the tasks at hand.

Teams that work with **speed and accuracy.**

A reputation for **communicating clearly and delivering with consistency.**

Leadership and advisory services from professionals **who have "sat in the seat" responsible for execution.**

Access to worldwide **renowned industry and regulatory experts.**



How we primarily deliver services

We help execute Finance initiatives, from identifying improvement areas to driving transformational change and providing transaction support.



STRATEGY

FTI Consulting helps CFOs develop **finance strategies** to address market dynamics and position their organizations for sustainable growth.



ASSESSMENT

We use a fact-based, data-driven approach to assess Finance functions, **identify improvement areas** and **develop implementation roadmaps**.



IMPLEMENTATION

A key differentiator is our ability to **implement and execute** so you can realize value on recommendations and achieve strategic goals.



INTERIM MANAGEMENT

Our professionals serve in **leadership, financial management, operations** and **functional management roles**.

Common examples include:

- Finance Strategy & Transformation (1-5 yr strategy)
- Finance Operating Model Optimization
- Shared Services Centers and Outsourcing Planning & Execution
- Enterprise Performance Management

- Organizational Design & Talent
- Finance Processes & Procedures
- Opportunities for Automation
- Finance Technology
- Finance Master Data
- Compliance and Control
- Benchmarking and Cost of Finance
- Service Delivery Model Process Selection and Business Case Development

- Cash Tracking and Working Capital Optimization
- Financial Close Optimization
- Finance Technology Implementation Management
- Financial Modeling
- Accounting, FP&A and Treasury Function Establishment
- G&A Optimization and Cost-Reduction Programs
- Design and Transition to SSC, GBS and/or BPO Delivery Model

- Chief Financial Officer
- FP&A Leader
- Treasurer
- Chief Accounting Officer/ Controller
- Surge Finance and Accounting Resources
- Finance Technology Support
- Shared Services

TRANSFORMATION, CHANGE AND PROJECT MANAGEMENT

Our approach focuses on driving transformation and managing the change that comes with finance initiatives. We help achieve value faster as we proactively manage risks and change and focus on end-user adoption.

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EXPERTS WITH IMPACT™

FTI Consulting is an independent global business advisory firm dedicated to helping organizations manage change, mitigate risk and resolve disputes: financial, legal, operational, political & regulatory, reputational and transactional. FTI Consulting professionals, located in all major business centers throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges and opportunities.

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