Introduction

Businesses have always focused on profits

Companies & investors increasingly care about sustainability

Why not bring those two things together?
The maturity curves of profitability and ESG (Environment, Social & Governance) data

**CadDo unifies these capabilities**
(e.g. Profitability & environmental impact, for every line on every invoice)

- Detailed P&L, down to contribution / trading results by every line on every invoice. Allocations driven by real behaviours
- Availability of ESG metrics, by customer and product (in fact invoice line)

**Profitability maturity**
- Basic P&L, allowing Gross Margin by Customer & Product. Allocations financially driven
- Extend basic P&L down to contribution / trading results

**ESG maturity**
- Understanding of ESG metrics at the product group level
- Statutory ESG metrics at company-level

Increasing levels of understanding and insight
Our business

**CadDo Transformation**
Technical expertise in data integration and business modelling with unique cross-functional skills

**CadDo Calculate**
Class-leading calculation Software as a Service (SaaS) running on Microsoft’s global Azure platform

**CadDo Analytics**
Track record of helping clients improve business performance using Data Science methodologies

Underpinned by expertise in profitability & sustainability data, and analytics we help our clients in a broad range of areas, such as:
- Customer & Product Profitability
- Connecting Disparate Data Sources into a Single Version of the Truth
- Holistic Customer Investment

All delivered by a team of cross-functional experts across all these areas, allowing our 3-step model to be delivered efficiently without separate resources.
## The process to go-live

### Design
(weeks 1-2)

- Outline end-state reports
  (Fully remote via 1-3 design calls)
- Analyse required data
  (100% CadDo)
- Collate data, in currently available formats
  (100% client-side)

### Development & Go-Live
(weeks 2-8)

- Build model
  (100% CadDo)
- Build reports
  (100% CadDo)
- Review & approve reports
  (Fully remote having calls as needed)

Iteratively move between design & development phases

### Underpinned by:
- 24/7/365 availability on Microsoft’s Azure platform
- A delivery team fully setup to work remotely, ensuring resiliency
- World-class delivery partners, in ESRI and Microsoft (co-sell Partner)
What is Sustainable Profitability?

- A powerful tool making previously unseen cost & profitability information easily accessible to decision makers.
- This cost data is further augmented by including sustainability metrics, such as carbon footprint and water utilisation...so the environmental cost of each product and customer is also understood.

How it supports Performance Management

- Uncover hidden opportunities with a clear view of customer / product profitability & environmental impact, at the lowest level of detail, across all business dimensions & activities.
- Enrich decision making with automated KPI packs, reports and simulation tools.
- Enable cross-functional initiatives, using readily available transactional data.

What’s the output?

- Much more than analytics: It’s a rich pool of data containing your entire P&L, showing every business activity and environmental metric you define, by every line on every invoice across all business dimensions.
- Accessible in Excel, Power BI or any other BI tool of your choice.
- In depth analysis & business cases, performed by CadDo, on the pressure points in your market.

Question: Are standard costs & allocations enough to manage the business?

Answer: No. Averages hide the reality. Each customer drives different costs & impacts.
Why augment profitability data with Sustainability (ESG) data?

The light on ESG is shining brighter than ever before

- Millennials are investing between $15-20t in US-based ESG investments
  (MSCI)
- In 2018, €44.6b net new investment in Europe was in funds with ESG criteria
  (Broadridge)
- 89% of investment consultants anticipate an increase of client interest in ESG
  (Eurosif)

But there is still a gap between expectation and reality

- 40% of advisors say that lack of understanding of ESG holds back investment
  (Cerulli)
- Data challenges make ESG investment more complex and expensive
  (BNP Paribas)
- Lack of comparable data is a major hindrance for 43% of investors
  (CFA)

There is a need to start viewing companies not just by their financial metrics...but by their **ESG Score**

- **Environmental**
- **Social**
- **Governance**
Business Rules as logical equations allocate financial & other data to the lowest-level transactions.

- **Master Data**
  - Products
  - Customers
  - Assets
  - Distribution Centre
  - Etc.

- **Financial Data**
  - General Ledger
  - P&L
  - Transport Systems
  - Etc.

- **Other Measures**
  - Carbon Emissions
  - Water Stress Levels
  - Distances
  - Etc.

**Transactional Data**
(e.g. Delivery Lines or Sales Invoice Lines)
The logical data layers

We are a team of cross-functional experts across all these areas, allowing this 3-step model to be delivered efficiently without separate resources.

**CadDo Transformation**
- Extract, Transform and Load clean data into CadDo Calculation
- An essential task at the start of the process to enable disparate data sources to be collated
- Business logic does not reside here: This is a data transformation process

**CadDo Calculate**
- Perform the logical calculations & allocations needed
- 100% of business logic sits here
- Allows understandable equations to be written & kept transparent
- Ensures logic is valid and dependencies maintained
- Allows for calculation logic changes to sit independently of source data

**CadDo Analytics**
- Acts as the user-facing layer
- Allows ‘approved’ data to remain static whilst the back-end model is adjusted or reprocessed
- Does not contain business logic.
- Attributes & measures come from the Calculation Engine
- OLAP cubes can be access by your BI tool of choice
CadDo Calculation supports the full suit of steps between raw data processing and the Analytics.

**Define the model**
- Cost Object (a.k.a. Business Dimensions)
- Drivers (metrics and calculations, written in logical syntax)
- Custom tables and views (for specialist areas outside the Cost Object structure)
- General Ledger structure

**Process Model**
- System triggers the ETL process to import data from source files into CadDo Calculation
- Trigger calculations that execute the allocations defined by the drivers

**Report**
- Produce OLAP cubes to access the results of the calculation
- Access these cube in whichever reporting tool meets the needs of your business
Sustainable Profitability

- **Turnover**: £12.8M (+27.3%) > Dashboard
- **Sustainability Score**: 7.1 (+3.4%) > Product Mix
- **Carbon Emissions**: 5.32 (+3.7%) > Geography

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CadDo Analytics: Interactive Dashboards – Sample 2

Dashboard: Profitability & Sustainability

Trends
- Gross Profit
- Gross Margin
- Net Margin

Turnover Gains
- Tesco
- Sainsbury
- Molot
- Greene... Mains
- Amazon

Turnover Falls
- Co-Op
- One Stop
- Mitchel...
- Family...
- Costco

Sustainability Score: 7.1

- Carbon pT: 5.32
- Water pT: 643
- Waste pT: 6.43
- Sust. Source: 67.7%

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Logistics

Case Pick
6.3%¹
(505,464)

Full Pallets
35K⁺
(-.3,833)

Kg
31M⁺
(-.3,833)

Volume
175K⁺
(-.3,833)

Deliveries
2,345¹
(-.2,87)

Kg pDelivery
13,312⁺
(+.6,149)

Trans Emis...
36K⁺
(+.3,87)

Whs Emissi...
33K⁺
(+.5,947)

Case Picking vs Logistics Costs

Kg per Delivery

Case Pick

Select all
PET
NRGB
RGB
Select all
Budweiser
Bass
Corona
Boddingtons
Stella Artois

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CadDo Analytics: KPI Packs & Simulation Tools

Monthly KPIs, Fed from Cost to Serve

August 2019

Comparisons against average of current month and previous 11 months

- **Gross Profit per HL**: 987
- **Gross Profit per HL**: 1,943
- **Margin (GP / GMR)**: 34%
- **Opex Per HL**: 956
- **Gross Profit Per Shipment**: 146,214
- **Gross Weight per Shipment**: 22,635
- **Yt per Shipment**: 172
- **Full Pallet Pick Rate**: 95.8%

For top-5 Customers (by HL Sold in latest month)
- **Share of HL**: 30%
- **Share of Gross Profit**: 30%
- **Gross Profit per HL**: 981
- **Outlets Delivered To**: 286

For top-5 SKUs (by HL Sold in latest month)
- **Share of HL**: 42%
- **Share of Gross Profit**: 42%
- **Gross Profit per HL**: 691
- **Share of SKUs that are sold**: 54%

Product Mix

Key Financials

Secondary Distribution per HL, by dispatch day

- **Average HL, Delivered (All Data)**
- **HL, Delivered (Latest Month)**
- **Secondary Distribution per HL (All Data)**
- **Secondary Distribution per HL (Latest Month)**
CadDo Calculate - User Interface

Welcome to CadDo

- Define Model
  Define the model and its characteristics and rules

- Process Model
  Publish changes and process the model

- View Data
  View model data or select to export
CadDo Calculate - User Interface
Thank You