



SOFTWARE | STRATEGY | MANAGED SERVICES

Unlocking the Power of AI to Optimize Supply Chain Channels

OMTEC Conference

PROCUREMENT | SUPPLY CHAIN | SUSTAINABILITY



How many of you are using AI in any form—spend analytics, demand forecasting, or sourcing—in procurement, supply chain, manufacturing or quality function?



How many of you are concerned about data security or confidentiality when it comes to using AI tools in procurement?



How many of you have ever discovered a supplier contract that was still active... but no one knew who owned it?



Who's ever opened a contract and thought... 'Did we really agree to *that*'?

The Transformative Power of AI



Evolving at Lightning Speed

- 100s of pre-trained LLMs available, new launches daily
- Processor speeds increasing exponentially



Staggeringly Powerful Capabilities

- NLP | Content Creation | Predictive Analytics | Personalization | Insight Discovery | Automation | Decision Support | Monitoring & Reporting



Immensely scalable and flexible

- No major I/S investments required to scale
- Cloud-based solutions enable high agility



Tremendous bottom-line business impact

- Team Productivity | P&L Cost Reduction | Process Efficiency | Compliance Improvement | Risk Reduction

Unlike Anything We've Seen Before



No massive infrastructure requirements required



No cost prohibitive scaling efforts required



Nominal incremental data or network security concerns over existing SaaS/Cloud solutions

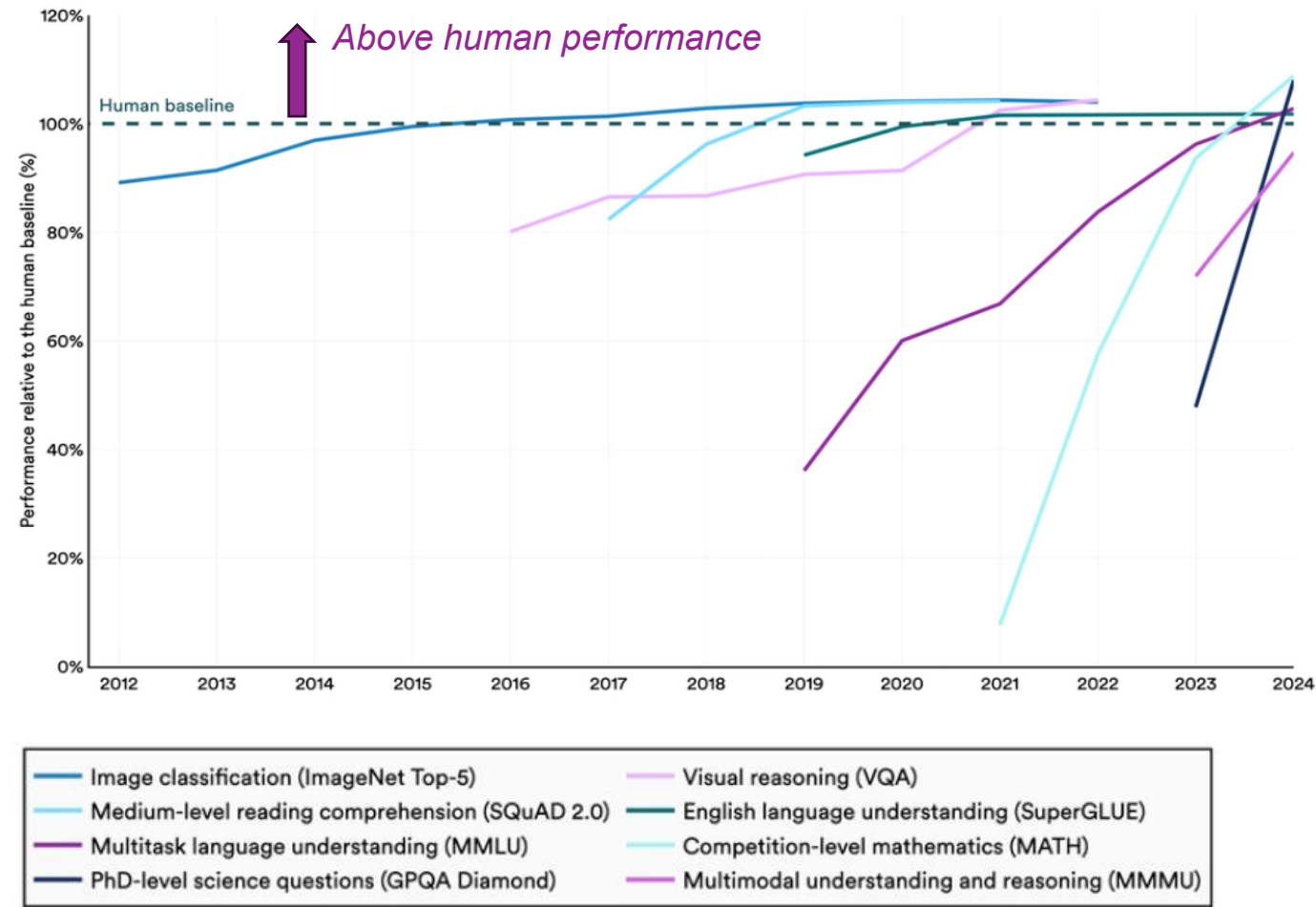


Low adoption barriers – despite the potential long-term impact on jobs



Few bottlenecks or constraints to innovating at scale

Select AI index performance benchmark vs human performance



Source: Artificial Intelligence Index Report 2025

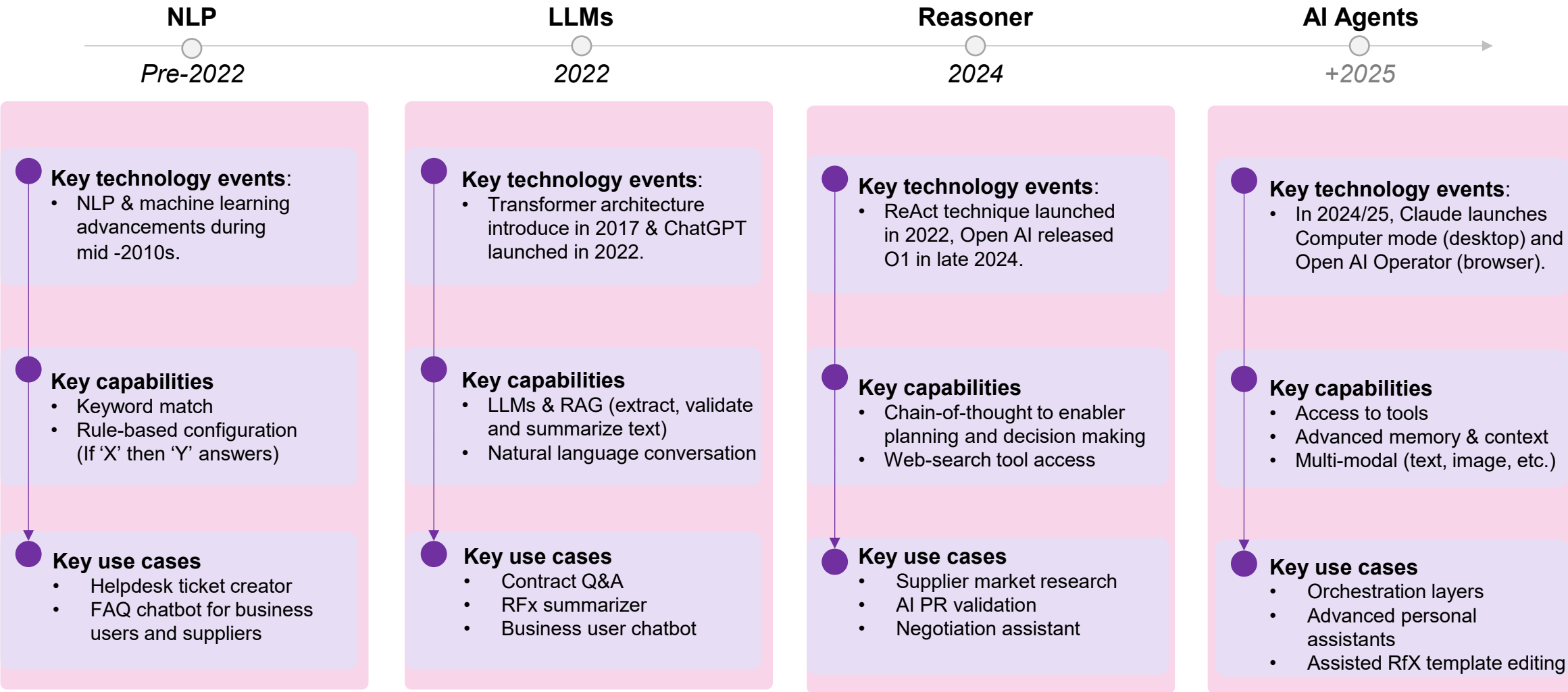
State of AI in 2025

AI already surpasses human performance across many tasks, with only a few exceptions, such as competition-level mathematics.

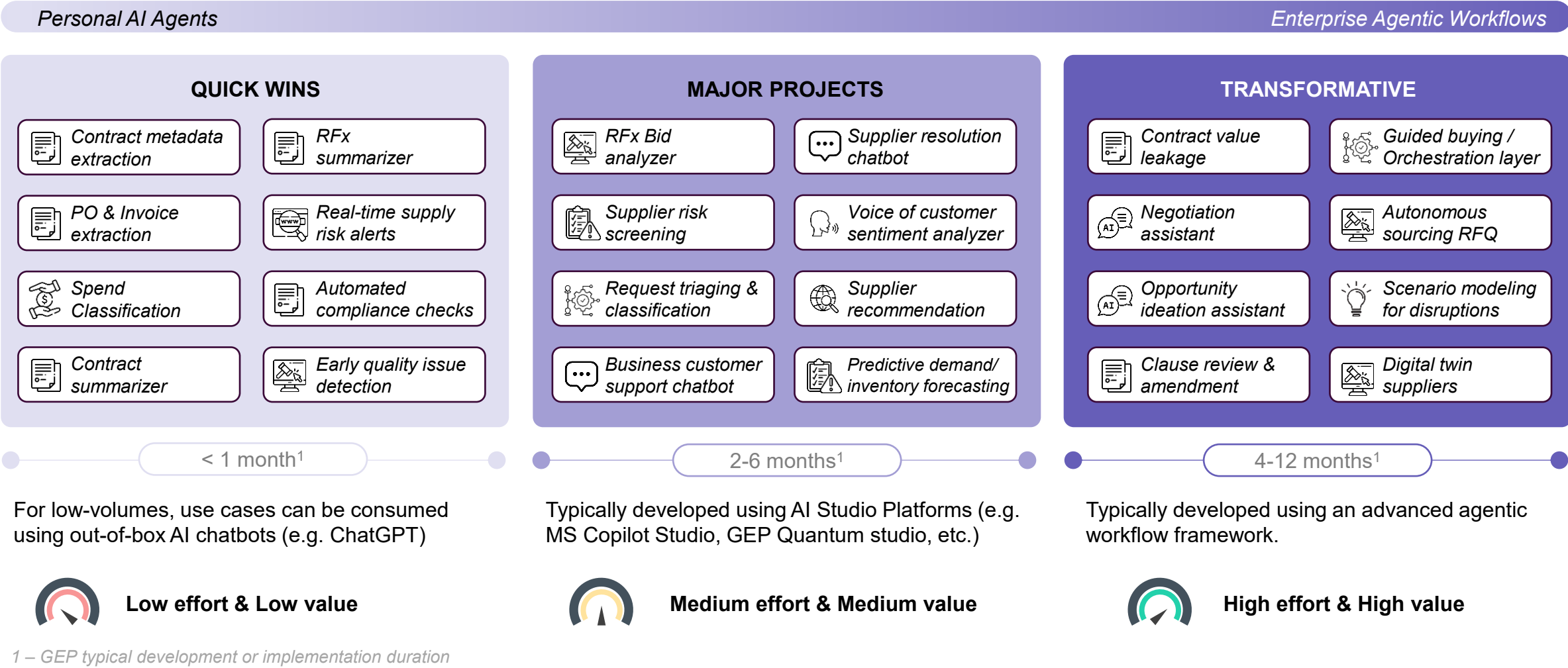
Progress has accelerated notably since 2021, driven by several key technology breakthroughs including:

- Large Language Models
- Reasoning Models
- AI Agents
- Advanced Research Models

AI is profoundly transforming society by reshaping how we live, work, and interact.



Key Generative AI Use Cases in 2025





Contract Value Leakage
Implemented for Fortune 500
Pharma Leader

Problem statement

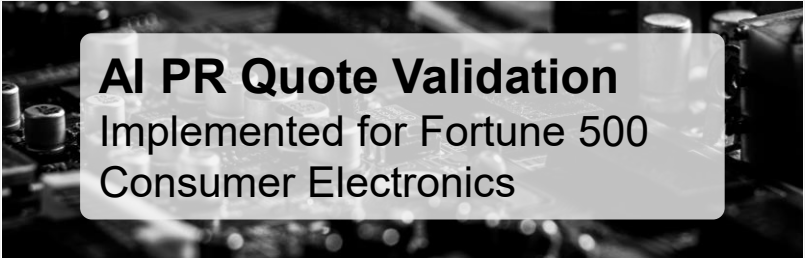
Post-signature, there is a 9% contract value leakage¹ due to sub-optimal performance monitoring, lack of resources, and poor data.

GEP Approach

Developed Generative AI Agent that identifies opportunities by comparing contracted clauses and actual spend.

Realized benefits

\$Leakage identified across all functional areas (case details to follow).



AI PR Quote Validation
Implemented for Fortune 500
Consumer Electronics

Problem statement

PR validation is a manual intensive tactical task, where a human agent validates requests against quote attachments.

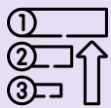
GEP Approach

Developed Generative AI Agent to automatically cross check each field in PR against attachment and policy.

Realized benefits

96% precision for AI to correctly predict compliant PRs for <\$5k requests.

Key enablers to Generative AI deployment success



Focus investments

Leaders prioritize 40% fewer² use cases compared to laggards



Prioritize value creation

Leadership to drive ROI focus and keep teams on track from distractions



De-risk projects

Follow the ideate-prototype-scale approach



Enhance workforce

Upskills existing workforce and augment with dedicated teams

1 – IACCM, Contract Value Leakage: How Do You Compare?, 2020

2 – BCG, From potential to profit, 2025

What is “Value Leakage”?

“For many companies, especially those with global manufacturing and service footprints, value leakage is still one of the main untapped sources of procurement impact.”

Contract Value Leakage: the difference between the potential value of an agreement and value that is actually realized.

Industry benchmarks suggest estimates value leakage 2%-4% of total spend.



Opportunity to identify value leakages using AI

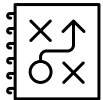
Potential areas where value leakage occurs:

Where does value leakage occur



- Matching pricing (MSA/PO/Invoice)
- Receiving the contracted rebates
- Using appropriate payment terms
- Applying earned discounts
- Using correct indexes & exchange rates
- Receiving duplicate charges
- Preventing purchase of prohibited items
- Respecting volume and value caps
- Controlling fees and expenses
- Supplier performance leakage

Challenges



Data often comes from multiple systems, from various structured and unstructured sources within those systems, and inputs are not always complete or standard – it's complex!

Approach to uncover leakage



Leverage AI technology to analyze the massive data set, create links across the data set, and identify value leakages.

Enable team to capture and resolve current leakage and prevent future leakage.

Questions?