

AI PORTFOLIO PRIORITIZATION

BOARD SUMMARY

Executive Premise

Technology should never drive business decisions.

Business strategy drives technology — including AI

AI therefore must be governed as a capital allocation portfolio, not a technology initiative.

Across 5 peer banks, **24 strategic AI use cases** were evaluated using a PMO-aligned Prioritization Model:



- ✓ Strategic Alignment (25%)
- ✓ Risk (20%)
- ✓ Feasibility (15%)
- ✓ Value (T | I | OE) (30%)
- ✓ Cost of Delay (10%)

Aligned with PMO Capital Intake Governance.

TIER 1 - BOARD-LEVEL PRIORITIES (Score ≥ 90)

Bank	Priority Use Case	Strategic Effect	AI Maturity Req'd
Customers	Real Time Liquidity Stress AI	Deposit Stability	Level 5
Customers	Venture Portfolio Risk Intelligence	Credit Protection	Level 5
Provident	CRE Concentration Risk Heatmap	Risk containment	Level 4
Fulton	Agricultural Credit Stress	Loss avoidance	Level 4
Customers	Embedded Banking Partner Monitoring	Rep Protection	Level 5
WSFS	Treasury Client Growth Prediction Engine	Fee Expansion	Level 3
Provident	Digital Account Opening Fraud Detection	Fraud Protection	Level 4
Fulton	Commercial Loan Pipeline Probability Engine	RM Productivity	Level 3
Customers	Startup Cash Burn Predictor	Liquidity Early Warning	Level 4

Board Insight: Top value opportunities skew toward risk mitigation + treasury growth, not chatbots or branch automation

TIER 2 - CONTROLLED GROWTH INITIATIVES (Score 80-89)

High Confidence Execution at Current Maturity.

Focus Area	Representative Use Cases
Deposit Optimization	Seasonal Forecasting (OceanFirst)
Commercial Expansion	Cross-Sell Intelligence (Provident)
Treasury Monetization	Forecasting Platform (Fulton)
Covenant Monitoring	WSFS
CRE Early Warning	OceanFirst

These can be executed at **Level 3** maturity with structure governance.

AI MATURITY REQUIREMENTS	
L2	Functional pilots
L3	Portfolio governance + use case intake
L4	Model risk management + enterprise monitoring
L5	Real-time liquidity + embedded banking controls

Most regional banks today operate in L2-3 maturity. Tier 1 initiatives require **L4-L5 discipline**.

Wave 1 (12 months)	Wave 2 (12-24 months)
✓ Treasury growth AI	✓ CRE heatmaps
✓ Pipeline optimization	✓ Credit stress AI
✓ Deposit forecasting	✓ Fraud automation

STRATEGIC OBSERVATIONS

- Risk AI outranks Growth AI
- Treasury is the most underleveraged AI revenue engine
- Fee income expansion presents highest clean Throughput upside
- Governance is the gating constraint. Most banks cannot execute Tier 1 safely.

Strategic Imperative

AI = Throughput Growth + Risk Containment + Controlled Innovation
Without portfolio governance, AI increases regulatory exposure faster than earnings improvement.