



Unlocking Supply Chain Transformation: Navigating the Tax & Legal Terrain

Consumer & Retail Industry



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Today's Speakers

Moderator



Chiu Wu Hong

Partner
Head of Private Enterprise &
Co-Head of IGH & Manufacturing, Tax
KPMG in Singapore

Speakers



Hanim Hamzah

ASPAC Regional Leader
for Legal Services
KPMG Asia Pacific



Lee Jingyi

Partner
Transfer Pricing & Co-Head of
IGH & Manufacturing, Tax
KPMG in Singapore



Elaine Koh

Partner
Indirect Tax
KPMG in Singapore



Bipin Balakrishnan

Partner
Trade & Customs
KPMG in Singapore



Catherine Light

Partner
Tax Reimagined
KPMG in Singapore



Gaurav Singh

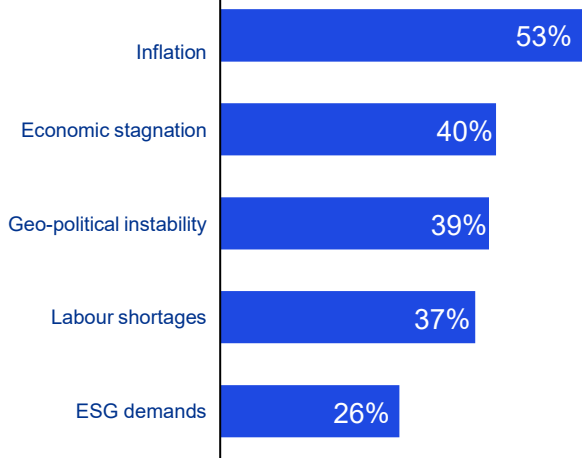
Associate Director
Technology Enablement, Advisory
KPMG in Singapore

Redefining Supply Chains

Leaders in supply chains are building resilience after surviving multiple years of disruptions and crises. Challenges will continue, therefore being future ready is key.



Businesses are expecting the **largest impacts** from disruptions coming from **macro** factors



Pivot or Perish to build resilience



Increased adoption and maturity of **technology** is being used to ensure the business is **future-ready**



Nearly **1-in-3 businesses** plan to invest in technologies or programs to **enhance visibility** into the supply chain.

3 Key Areas to Consider



**Supply Chain
Diversification and
Functional
Centralisation**



**Inventory
Optimisation**



**Trade Compliance,
Licensing and
Permits**



How much of these **supply chain related scenarios and benefits** are resulting into **tax and legal implications?**



Supply Chain Diversification and Functional Centralisation

E-commerce growth generating 50% of sales volume alongside Geopolitical risks are pushing for Supplier Diversification, C&R industry needs to redesign supply chain to remain resilient, relevant & customer-centric.

Business Needs

- Supply Chain Resilience
- Mitigate overdependency
- Optimise lead times
- Developing new relationships for strategic sourcing

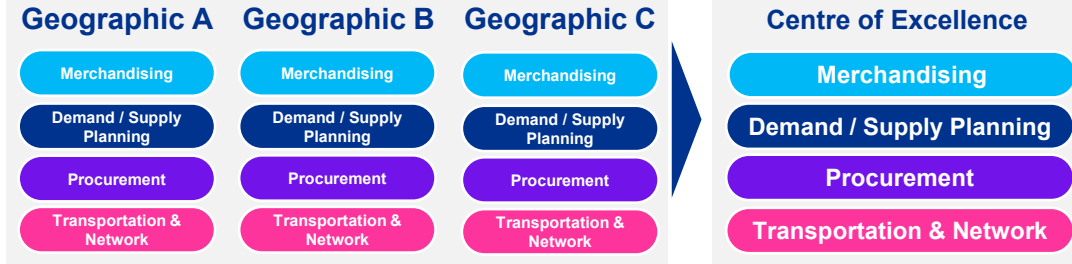
Business Requirements

- Supplier Diversification
- Agility & Flexibility
- Scalability & Visibility

NETWORK



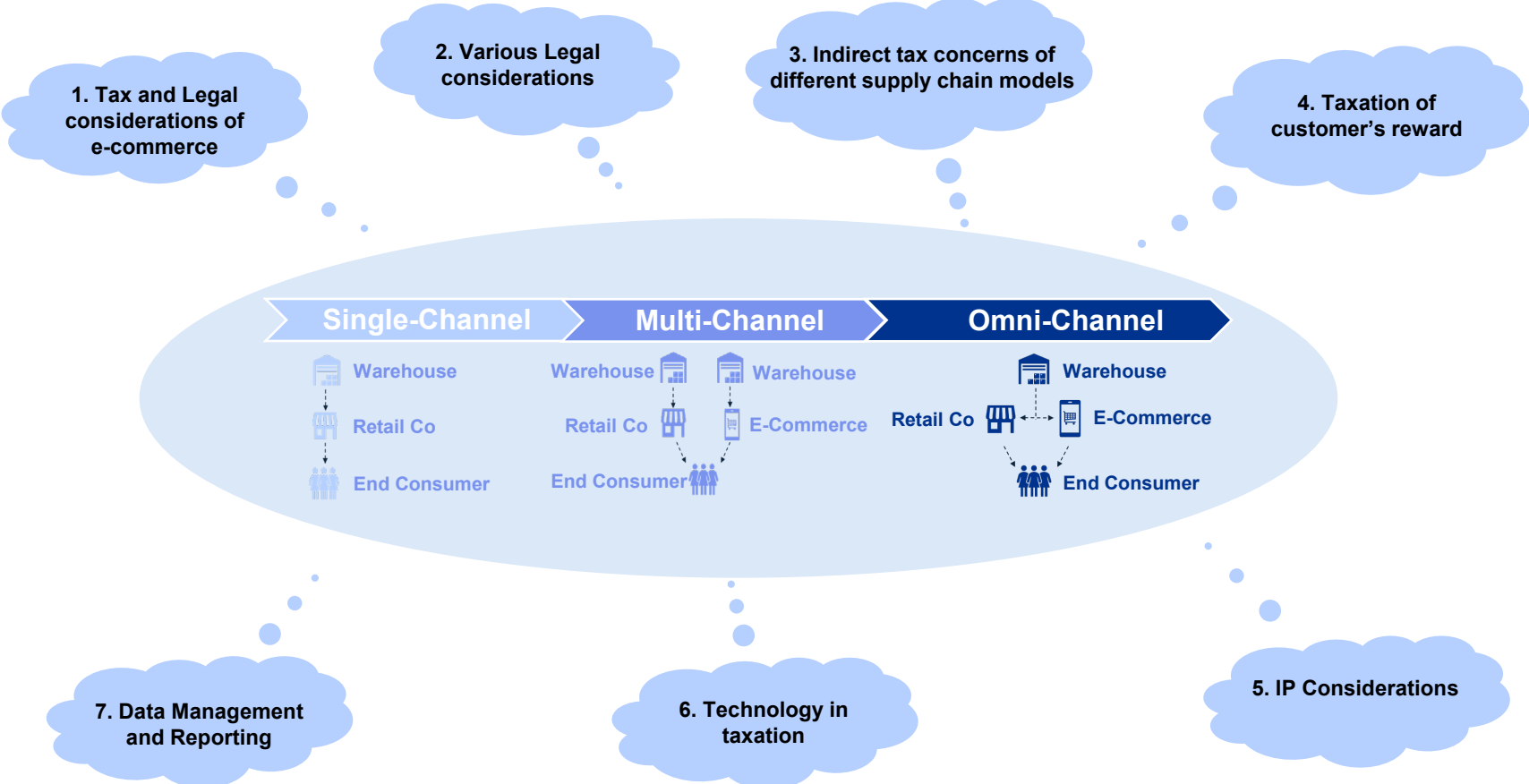
FUNCTIONS



To stay ahead...





1. Supplier Diversification
2. Network Redesign (Omnichannel)
3. Functional Centralisation
4. Technology & Intelligent Automation

Supply Chain Diversification and Functional Centralisation



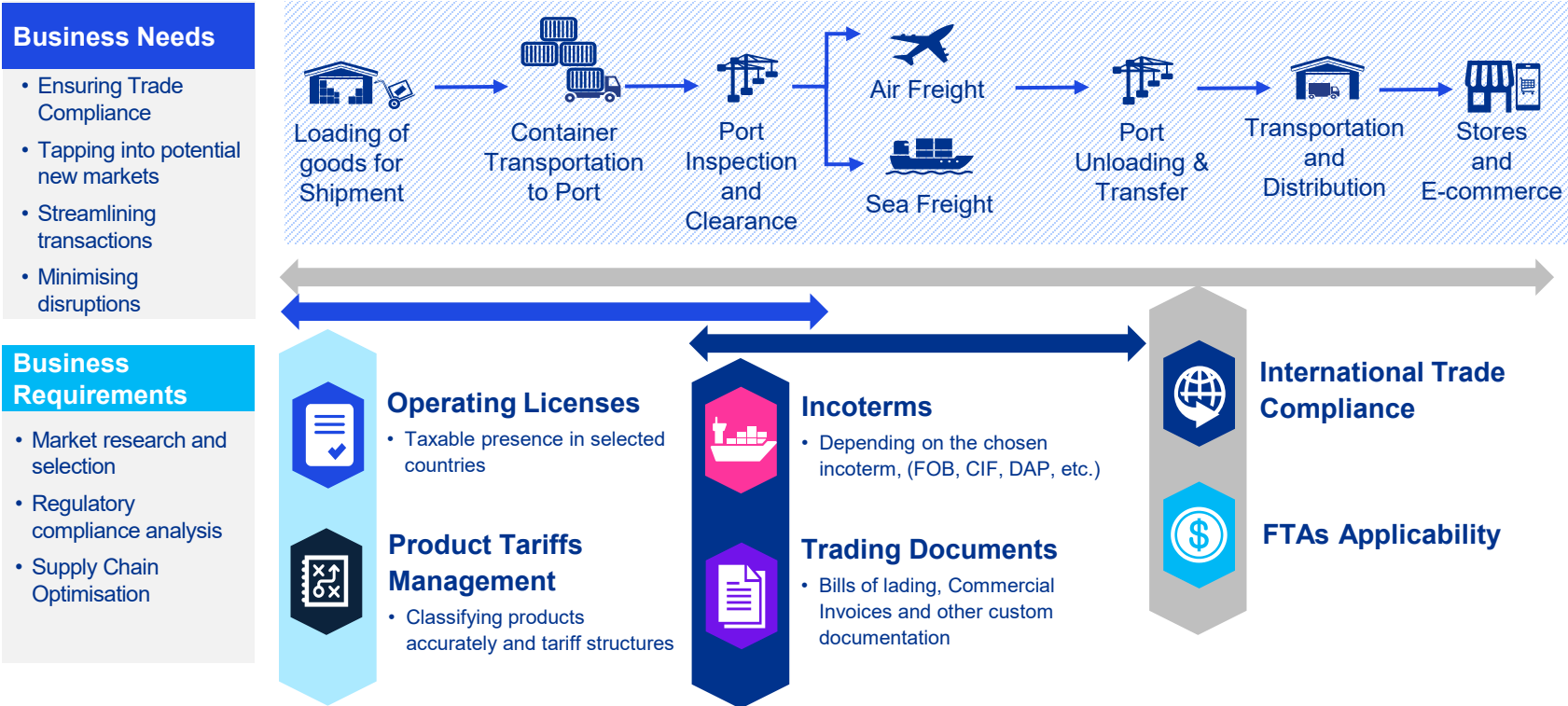
Inventory Optimisation

In order to capture a larger market share, C&R Industry has fueled a surge in product proliferations. Thus, the C&R Industry has undergone a major shift towards their view on Inventory.

Business Needs		Before	Now
<ul style="list-style-type: none"> Real-time visibility Demand Forecasting Reduce stockouts Enhanced Availability 	 Category & Portfolio	<ul style="list-style-type: none"> Extensive Product Lines Limited focus, Reactive Approach 	<ul style="list-style-type: none"> Lifecycle-focused approach Strategic categorisation
	 Demand Forecasting	<ul style="list-style-type: none"> Inaccurate forecasting Reliance on historical sales data 	<ul style="list-style-type: none"> Real-time market intelligence AI driven forecasting
	 Inventory Policies	<ul style="list-style-type: none"> Limited Visibility Reactive replenishment Static Safety Stock 	<ul style="list-style-type: none"> Real Time Inventory tracking Dynamic replenishment Dynamic calculated Safety Stock
Business Requirements <ul style="list-style-type: none"> Forecasting Accuracy Inventory Classification AI technology enabled optimisation 	 Carrying & Holding Costs	<ul style="list-style-type: none"> High Obsolescence risk Increasing Storage Costs 	<ul style="list-style-type: none"> Minimised Obsolescence Streamline storage needs

Trade Compliance, Licensing and Permits

Expansion from both supplier and sales perspective into international markets requires deep understanding of regulatory requirements and trade agreements to ensure compliance and maximise benefits.



Key Takeaways of the 3 Scenarios

Future supply chains will no longer be focused on what technology solution will be needed, but on the skills and competencies required to enable this vision of the future and what can be performed by technology and humans combined



Automation & Gen-AI Capabilities

Tailored use across sectors, such as navigating harsh environments in consumer & retail industry.



Smart Ecosystems

Seamless integration of smart devices and pioneering technologies boosts supply chain intelligence and efficiency.



Human Roles and Network Reimagined

With increased automation, focus shifts to high-value customer services.

KPMG foresees high levels of automation in:



Supply Chain Planning



Warehousing / Middle Mile



Distribution / Last Mile

Thank You

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