

At-a-glance highlights for tax leaders in the consumer & retail sector

Global Tax Function Benchmarking Survey

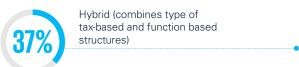
KPMG International conducts an ongoing survey of tax leaders that enables benchmarks across tax function structure and resourcing, performance measurement and metrics, use of technology and data, and initiatives supporting ESG. Below are some of the highlights of the survey data by respondents in the consumer & retail sector.

Structure and resourcing

• Most Chief Tax Officers (CTOs) or tax leaders report to:



Most common organizational design:



Expected resourcing model changes in the next 5 years:

Headcount — Home Country/ Jurisdiction

Contractors

Headcount — Non-Home Country/ Jurisdiction

Use of SSCs or GBS or CoEs*

62% 46% 36% 54%

Transformation, technology and data

 Top 3 benefits of tax transformation/technology initiatives cited:



Reduced process cycle time or effort 40%

Ability to better integrate processes or redesign the way work is done

37%

Reduction of tax liabilities/identification of future tax savings opportunities

Anticipated technology use increases in the next 5 years:



Overall leverage of enterprise finance IT systems



Use of condition system data or a data warehouse



Tax sensitization of GL. other accounts of business forecasting system



Most challenging data issues experienced cited are usability and accessibility.

ESG and the tax function

- 51% of organizations in the consumer & retail industry do not have a policy that considers the ESG impacts of tax-related business decisions.
- Of those with policy that considers ESG impacts:





More than half report that Tax is consulted but not really involved in company ESG strategy.

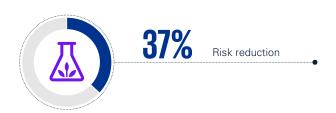
- Top 3 immediate term Tax ESG priorities include:
 - Improving our tax governance and controls to ensure
 - Developing/updating our public tax strategy/policy
 - Developing process/tool to capture tax payment data

No organization in the consumer & retail sector use data and analytic tools to prepare ESG analysis.

* SCC: Shared Service Centers, GBS: Global Business Services, and COE: Centers of Excellence.

Strategy, performance and business impact

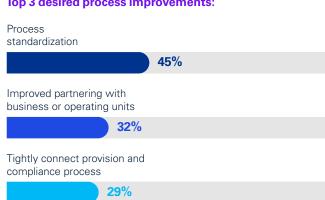
 Most tax leaders in the consumer & retail industry describe their tax function's primary strategy as aligned to:



 Performance is often measured by the impact the tax function has on the business across a range of metrics, with these topping the list of importance:



• Top 3 desired process improvements:



• Top disruptor to the organization in the last year:



• Frequency of CTO meetings with:



• Expected significance of BEPS Pillar 2 on the organization:

27%	33%	20%	20%
Very significant	Not yet significant but will be in the future	Not applicable for	or our organization
Somewhat significant	Not significant and will not be in the future	Not applicable to	or our organization

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