

GLOBAL VALUE CHAIN SOLUTIONS

Rethink the supply chain. Realize end-to-end value.



Building a better value chain: value chain: rethinking your supply chain's tax, physical, financial, people, and digital footprint.

A resilient value chain is an intelligent value chain.

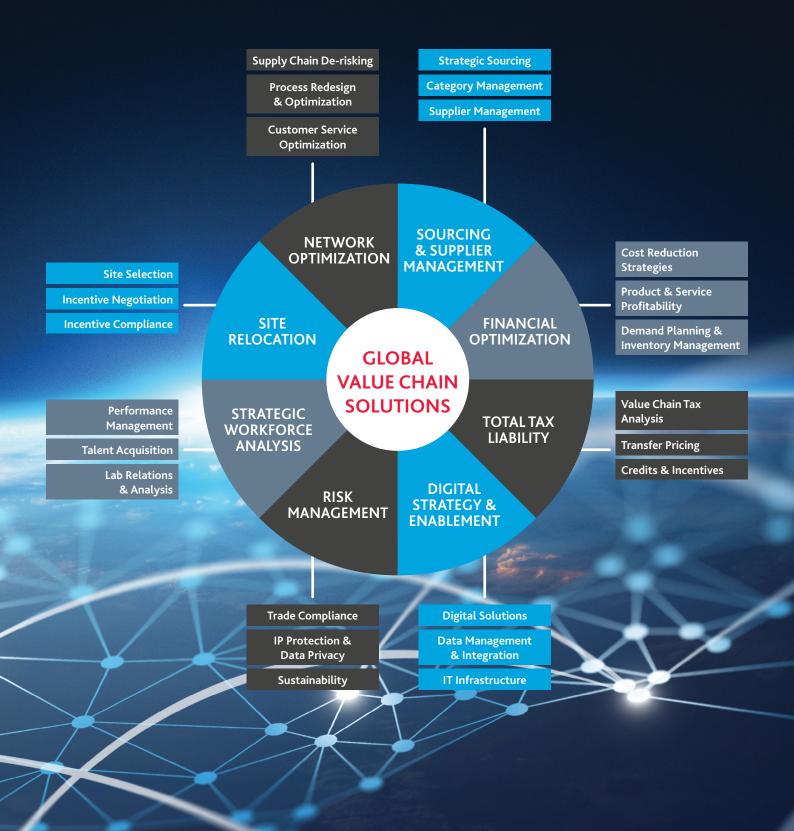
Shortages of materials, shipping delays, rising transportation costs and volatile commodity prices have caused ongoing supply chain disruption. To thrive amid uncertainty, businesses must reimagine their supply chain strategy. By enhancing agility and resilience, businesses can pivot when disruption occurs and move quickly to capture emerging opportunities.

BDO's Global Value Chain team offers an integrated suite of solutions that address every element of supply chain strategy, from network design to tax alignment to human capital management and technology. Our scalable approach is customized to each client's unique needs and circumstances. Whether it's reducing reliance on one location, addressing shrinking operating margins, or improving agility to respond faster to unexpected changes and opportunities, BDO can help.

Putting The **Value** In Value Chain Optimization



BDO Solutions Overview



How We Can Help

Core Solutions

NETWORK OPTIMIZATION



We review your global value chain network end to end to align capabilities with your overall business strategy and identify opportunities to generate cost savings, harness efficiencies, improve customer service levels, and minimize disruptions. With a crossdisciplinary lens, we analyze multiple scenarios based on current and potential business, economic, environmental, and geopolitical risks and model the impacts of potential changes to help you develop the right action plan for your budget and goals.

SOURCING & SUPPLIER MANAGEMENT



Leveraging proven category strategies, price and cost analysis and product/service specifications, we assist with supplier identification, qualification, bid process management, price negotiation and contract execution, and administration to streamline the procurement process, help minimize legal risk, and enhance value. With local teams in most major outsourcing destinations, we can help with supplier onboarding as well ongoing performance management and compliance, whether they're based domestically or overseas.

FINANCIAL OPTIMIZATION



We perform financial analysis and modeling to help optimize your value chain in the most cost- and capital-efficient way. We identify proactive opportunities for cost reduction and profit improvement while assessing the financial impact and ROI of all aspects of value chain redesign. With a focus on appropriately balancing service levels, inventory, and demand variability, we identify key levers to lower inventory holding costs, free up working capital, and shorten the cash conversion cycle. We then help you implement or modify the underlying systems and processes to realize cost savings and working capital improvements.

DIGITAL STRATEGY & ENABLEMENT



We help you build a more intelligent and efficient value chain by streamlining processes through digitization and automation, connecting disparate systems and information to form a digital thread, and applying advanced analytics and cognitive technologies for better planning, greater customer insight, and faster decision-making. We benchmark your current digital capabilities and work with you to develop a digital strategy that aligns with your future-state value chain goals. We then work with you to identify and implement the right technologies to enable change and drive incremental progress, incorporating data management and security principles.

TOTAL TAX LIABILITY



Our value chain tax analysis informs the design of your target value chain operating model to help improve profitability. We review your global tax footprint, evaluate current transfer pricing arrangements, and assess all indirect and direct tax obligations to help you identify immediate opportunities for cash savings and optimize your overall tax position. We also assess the tax and trade consequences of potential changes to your global value chain operations, working with you to harmonize your tax structure, protect intellectual property assets, and potentially reduce your total tax liability.

SITE RELOCATION



We help you identify the right location(s) to move your warehouse and production sites based on proximity to key suppliers and customers, access to transportation resources, quality of the labor pool, environmental risk and geotechnical status, real estate and business costs, and available incentives. Our team of Site Selection & Incentives professionals will handle negotiations with local economic development authorities to net you the most favorable incentives package and can facilitate ongoing program compliance to ensure all benefits are realized. We can also assist with workplace layout design to facilitate compliance with social distancing guidelines and overall employee safety.

STRATEGIC WORKFORCE ANALYSIS



We help you unlock the full performance potential of your people across the value chain. Starting with an assessment of current workforce composition and competencies, we perform an analysis to determine whether there is need to scale up, rationalize or reallocate talent based on market demand and productivity. For businesses considering shifting their value chain from current locations, we perform a talent market analysis to gauge feasibility and labor costs. We also assist with talent acquisition and employee relocation, including compensation and benefits administration, HR policy development in compliance with local laws and customs, new hire onboarding, and ongoing performance management to help you create a safe and productive work environment.

RISK MANAGEMENT



We can help with both immediate incident mitigation and strategic risk management for a more flexible and responsive value chain. In the case of a value chain disruption, we work with you to restore operations as quickly as possible, minimize reputational impact, and recoup losses. Insulating your value chain from future disruptions and improving overall resilience starts with a comprehensive evaluation of risk exposure against current risk mitigation processes, including critical path analyses, interdependencies, product and service priority levels, and value-at-risk. We then help you develop and execute a corrective action plan.



Our Approach

BDO takes a holistic view that integrates multiple disciplines and strategic levers to unlock value across the supply chain. Our threephased approach allows our professionals to quickly identify gaps and opportunities, design a customized action plan, and then work alongside you to achieve the results you want, in the timeframe you expect. We provide knowledge transfer from our experienced professionals to yours to enable your business for long-term success.

PHASE	Assessment and Value Proposition (4-6 weeks)Design/Site Visits (8-12 weeks)Implementation/Final Negotiations (TBD)	
FOCUS AREAS	OPERATIONAL OPTIMIZATION	
	TAX AND TRANSFER PRICING OPTIMIZATION	
	SITE OPTIMIZATION	
	WORKFORCE OPTIMIZATION	

Potential Benefits

PERFORMANCE	 Greater flexibility and responsiveness Data-driven demand planning and increased forecasting accuracy Improved supplier delivery performance and quality Greater market alignment Access to the right people, with the right skills, at the right cost
CUSTOMER SERVICE	 Increased revenues through improved customer service/agility Reduced customer order cycle time Rapid new product introduction Improved customer experience and actionable customer insight Better visibility into shifts in demand and consumption patterns
WORKING CAPITAL	 Improved inventory turns Shorter cash conversion cycle Reduced real estate capital costs Capture of long-term state and local cash incentives Tax-advantaged repatriation of working capital and alignment with treasury needs
OPERATING PROFIT	 Reduced value chain operational costs, both underlying and transactional Cash savings through a tax-advantaged operating model Short-term state and local incentives Optimized workforce skills and costs Enhanced return on investment
RISK MITIGATION	 End-to-end visibility and traceability Reduced value chain disruption Faster issue mitigation Reduced tax liability and tariff risk Compliance with international regulatory requirements and local country laws

The BDO Difference



Integrated

We bring together multiple disciplines into a holistic solution offering to help you with every aspect of value chain optimization, from strategy to process design and technology enablement to real estate and people.



Customized

We tailor our solutions and methodologies to your specific business needs and budget, whether you're looking for a quick win or a full-scale transformation. Wherever you are in your value chain optimization journey, we can help.



Industry Experience

Whether you are a manufacturer facing supply chain disruptions, a technology company seeking greater speed to market, or a private equity firm looking to unlock cost savings across your portfolio, BDO has the relevant industry experience to help you at any stage of the game.



Global

BDO serves multinational clients through a global network of more than 73,000 people working out of 1,500 offices across 162 countries. Whether you're looking to onshore, offshore, or do a little of both, we have on-the-ground resources to support you.



Senior Access The partner is always on it.



Central Cont

GET IN TOUCH

Our team of value chain advisors will analyze your global value chain footprint and identify a prioritized list of areas for risk mitigation, cost reduction and strategic improvement.

CONTACT US

People who know Global Value Chain, know BDO. www.bdo.com

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CONTACT:

ESKANDER YAVAR Partner, Global Value Chain Leader eyavar@bdo.com

VAL LAUFENBERG Partner, Management Consulting vlaufenberg@bdo.com BARB DERUS Partner, Global Value Chain Americas Leader bderus@bdo.com

PETER TERILLI Partner, International Tax Solutions pterilli@bdo.com