



# Optimizing supply chains and investment incentives

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—

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# Today's panelists



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# Case Study 1: Investment into the US

**One of the largest  
China-listed  
advanced  
manufacturers**

## Background

**US\$900B+**  
in annual revenue

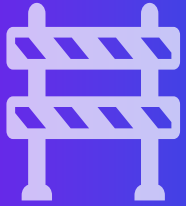
**10+**  
operating countries

**200,000+**  
employees, including **30,000+**  
dedicated R&D professionals

**US\$1.5B+**  
in R&D investment

Have initiated manufacturing shifts out of China during the Trump 1.0 era

# Problem Statements



## Intensified tariff and trade barriers

The Company decided to invest into the US.



## FTA/ Country of Origin

The need to consider the utilisation of FTAs and country of origin determination.



## Major customers and end users are based in the US

The need to reengineer supply chain for greater production stability and resilience against geopolitical disruptions.



## Supply Chain Optimization

The need to consider alternative locations (such as SEZs) for operations, as part of supply chain optimization.

# Benefits and Considerations



**Significant reduction in tariff costs**



**Explore the array of US incentives available**

Available incentives include

- State and local incentives
- Federal energy credits
- R&D tax credits and more



**Establish efficient tax arrangements**

Tax arrangements need to be established to address US corporate tax, international transfer pricing (including royalty and service fees), and dividend repatriation.

# Case Study 2: ESG Influenced Supply Chain

**One of the leading  
global new-energy  
businesses**

## Background

Global leader in mobile battery and storage solutions

**13**  
mega manufacturing sites

**6**  
R&D centers

**Zero-emission**  
certified factories

# Problem Statements



## Emissions originating from suppliers

Many customers have committed to zero-emission goals, making supplier management a critical lever for reducing emissions.



## Increasingly strict EU ESG requirements

The Company used to operate solely with China-based factories and was still able to meet zero-emission customer demands.

However, with the EU's increasingly stringent ESG requirements, it now needs to establish factories within the EU.



## High recycling costs within the EU

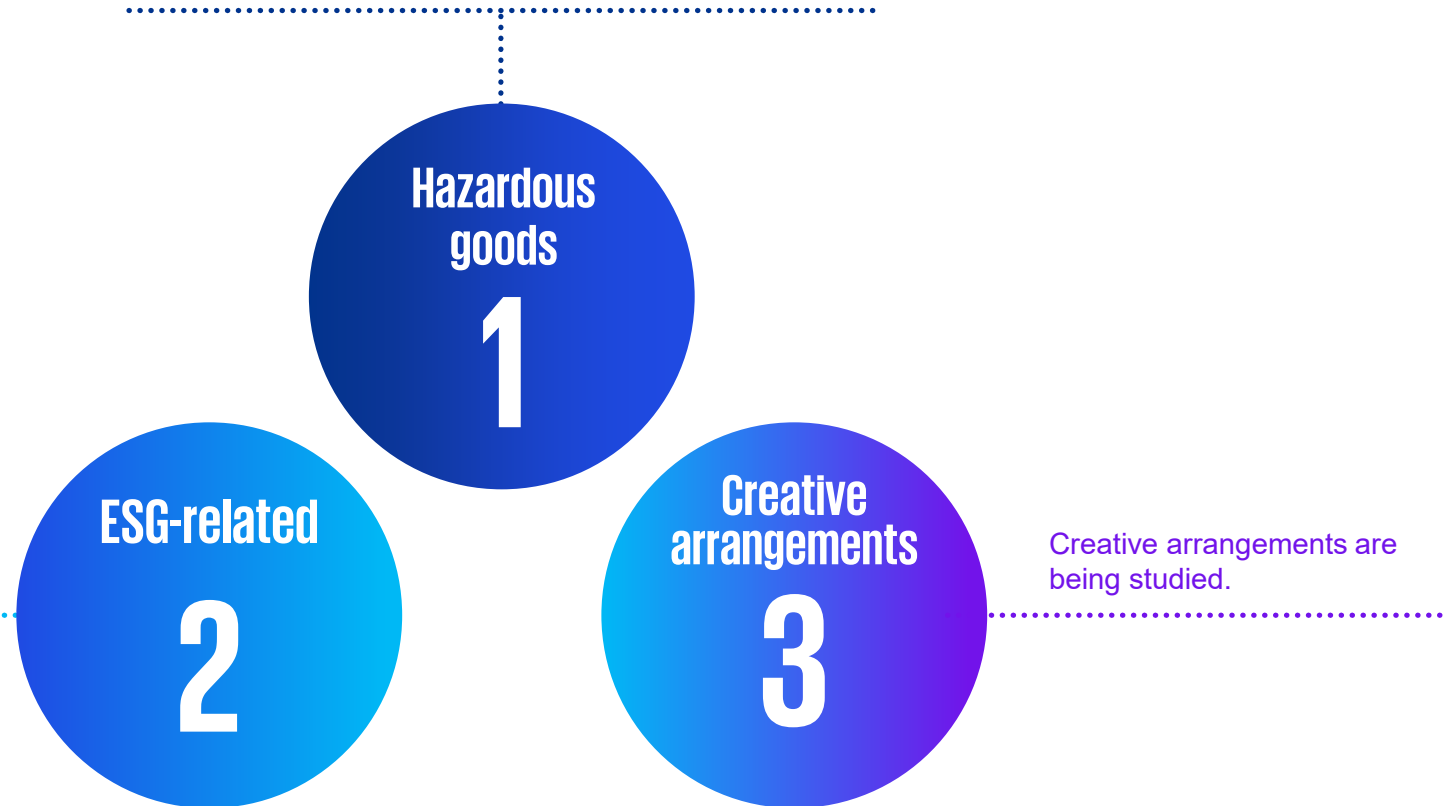
Some of their used products require recycling, but limited capacity and high costs in the EU have made local recycling nearly unviable.

# Considerations

Certain used battery products are classified as hazardous goods, requiring handling and movement in compliance with the Basel Convention.

Many countries prohibit the importation of such goods.

- EU battery passport
- Fixed % of recycled materials required for certain battery sales in the EU
- CBAM (Carbon Border Adjustment Mechanism)
- International movement of “hazardous” goods
- Other ESG considerations



# Key Takeaways





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