

**FORSEE
POWER**



SMART BATTERY SYSTEMS for a sustainable electromobility

Frederic Poupeau – 25 November 2020

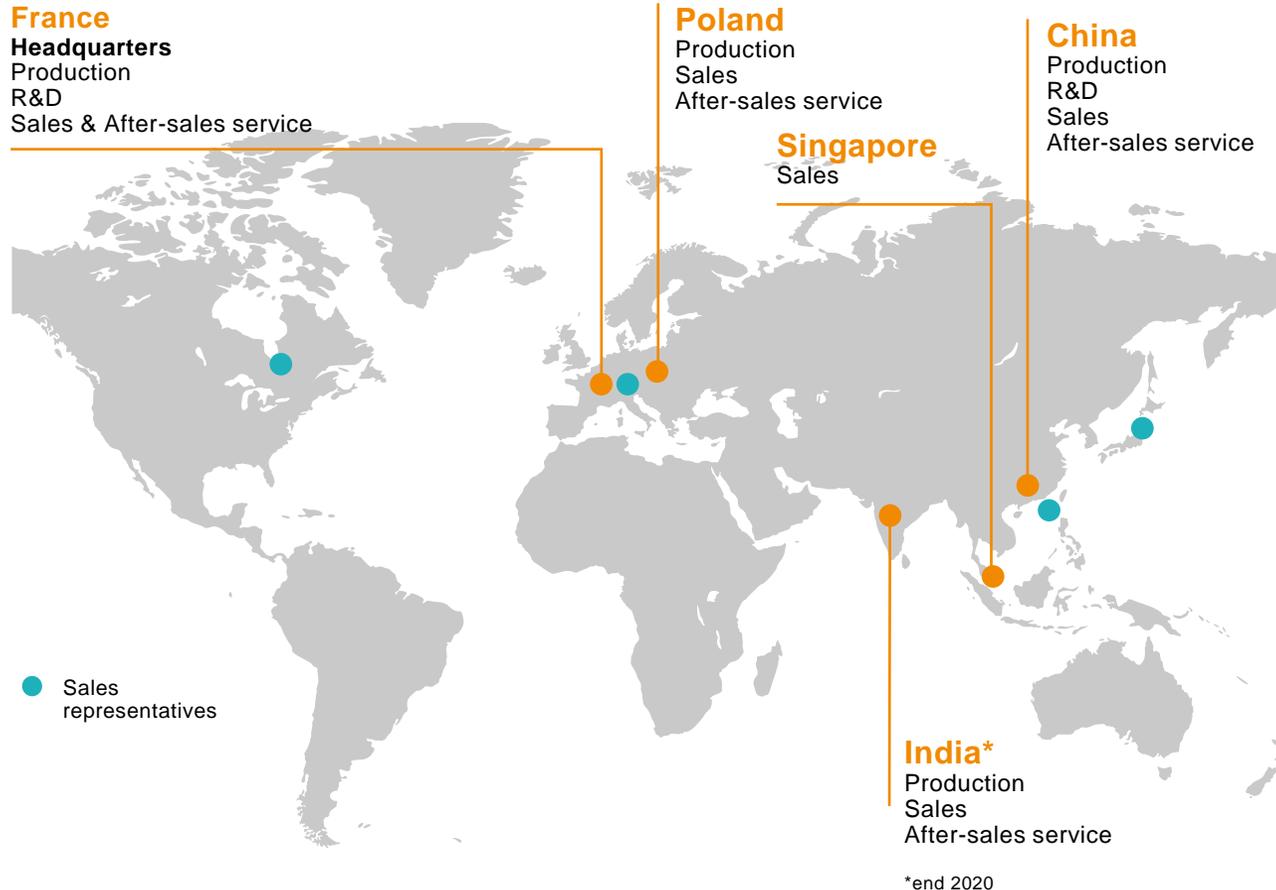
Made in Asia 2020

www.forseepower.com



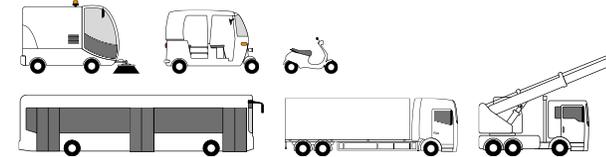
SCAN ME

FORSEE POWER: smart battery systems for a sustainable electromobility



Markets

Road



Medical & wellness technologies



Rail



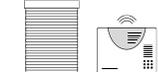
Robotics



Marine



Home appliances



Security



Our services

Financing

Investment fund dedicated to urban electric mobility.

Second life

Optimizing the energy grid and management. Collecting, recycling and reselling battery parts.

Key figures

2011

Creation

500

Employees

2

R&D centers

100+

Clients

4

Production sites

4

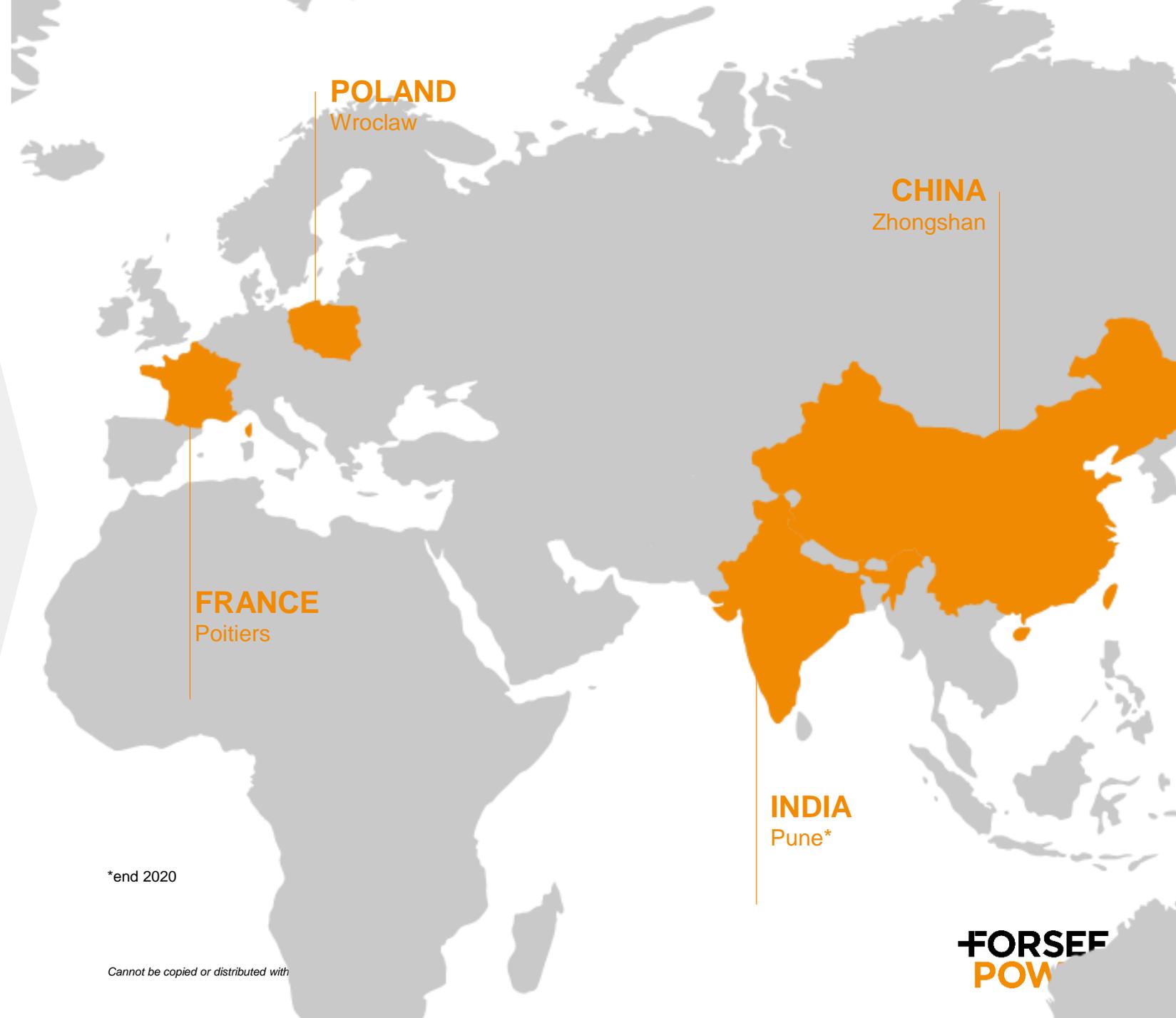
Repair & maintenance centers

Global presence **WITH LOCAL SUPPLY CHAIN**

COVID HIGHLIGHTS

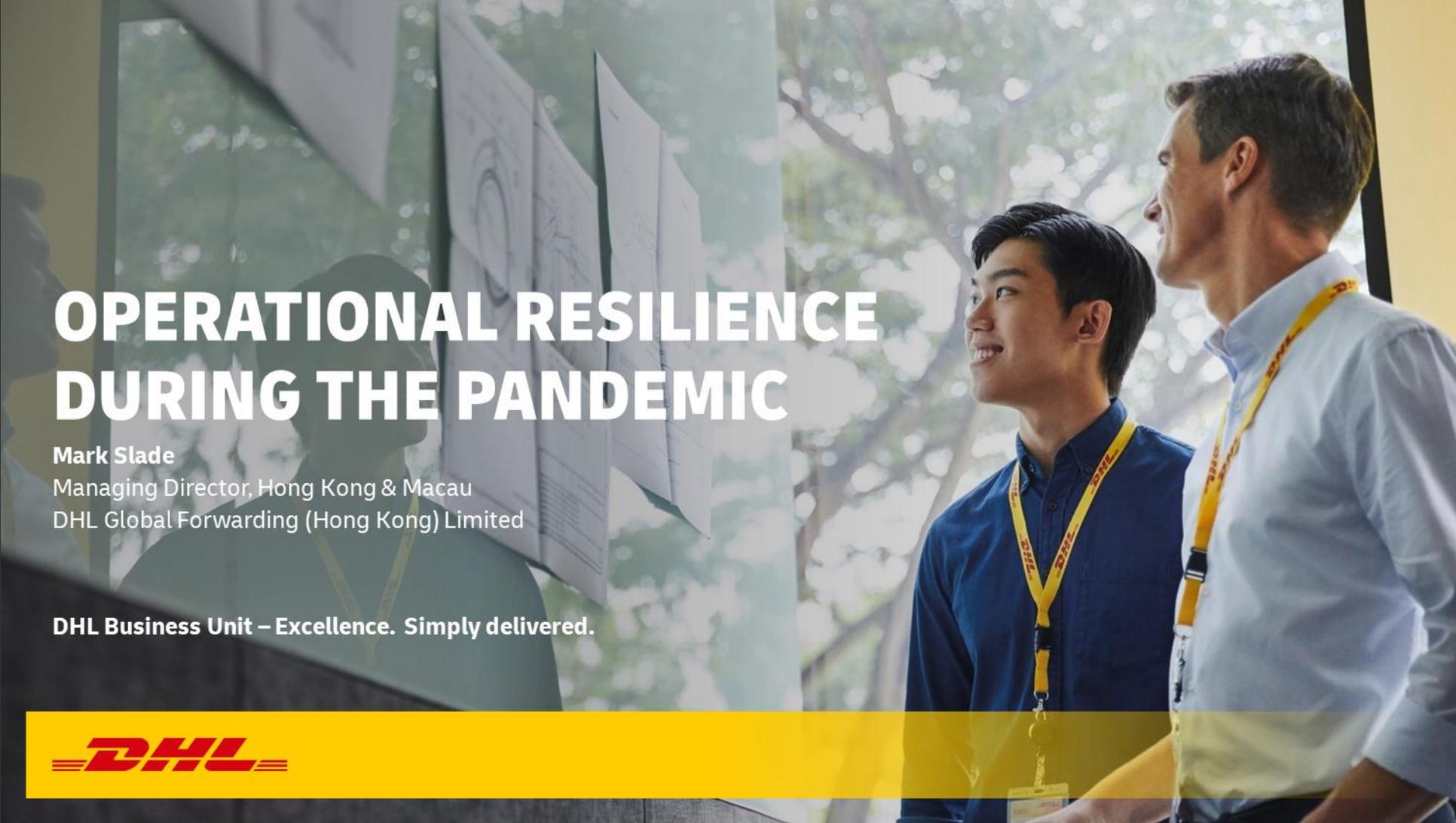
- + Attractive industry with strong incentives that drive local supply chains
- + China supply chain recovered quickly after New Year's break
- + Independant supply chain organization (Europe, Asia) with sharing of best practices that allowed to anticipate shortage
- + Development of local partnerships for future business opportunities (Japan, India, ..)

> **Limited impact on Group's operations and revenue**



*end 2020

Cannot be copied or distributed with

A photograph of two men in a meeting room. The man on the left is wearing a dark blue shirt and a yellow DHL lanyard. The man on the right is wearing a light blue shirt and a yellow DHL lanyard. They are both looking towards the right, where several documents are pinned to a wall. The background shows a window with trees outside.

OPERATIONAL RESILIENCE DURING THE PANDEMIC

Mark Slade

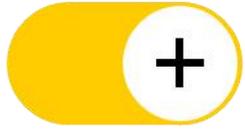
Managing Director, Hong Kong & Macau
DHL Global Forwarding (Hong Kong) Limited

DHL Business Unit – Excellence. Simply delivered.



DHL: Our Operational Resilience Journey

Business Continuity Plan & Disaster Response

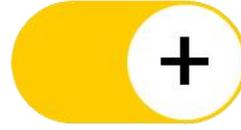


Business Continuity Plan

Ensuring the resumption and recovery of critical business functions

- Remote Working
- Flexible Working Hours
- Split Team Arrangements
- Epidemic Prevention Materials Distribution
- Prevention Measures

“Digitalization enables business continuity planning”



Disaster Response Team

Providing COVID-19 humanitarian logistics support

- Consultation for establishing and managing COVID-19 distribution solutions
- Providing pallets to support storage of COVID-19-related supplies
- Aircraft ground handling



DRT Deployments during COVID-19:

*United States/Guatemala/Costa Rica/Argentina
Brazil/Colombia/Ecuador/Panama, etc.*

DHL: Our Operational Resilience Journey

Resilience 360

Risk Assessment is the first step to protect the business operations, it enables strategic decision making



Source: Resilience 360

RESILIENCE360



Resilience360 is an innovative, cloud-based platform that helps companies to visualize, track and protect their business operations

1. Intuitive supply chain visualization
2. Enabling real-time monitoring of incidents capable of disrupting supply chains
3. Providing companies a first mover advantage in detecting and verifying risks
4. Tracking shipments and ETAs across different transport modes
5. Integrating with business systems and helping companies keep track of risks
6. Enabling companies to better ensure business continuity, building risk profiles, and identifying critical hotspots

DHL: Our Operational Resilience Journey

COVID-19 Drives Network Adaptation

Charter Network

- Alternative solutions during COVID-19
- Securing additional capacity due to PAX cancellations



Multi-modal Services

- Rail-Air-Sea-Road
- Increased flexibility
- Intermediate transit times



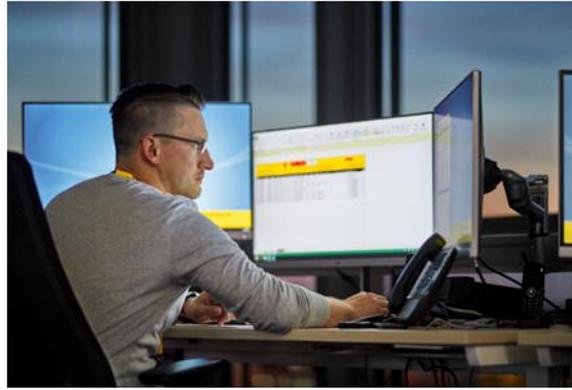
DHL: Our Operational Resilience Journey

COVID-19 Drives Digitalization



Digital Customers Interaction (DHLi)

Customers can place bookings and track shipments online with no geographical and time restrictions



Global Transportation Management System



Robotics & Automation

Keep productivity high despite a limited workforce during the pandemic



Contactless operations
Flexibility & visibility
Smooth operations during the pandemic

Post COVID-19: Supply Chain Trends

Digitalization & Innovation



Big Data & Advanced Analytics

Diagnose operational issues, optimize network planning and predict future scenarios



Robotics & Automation

Lower costs, improve capabilities and availability of products tailored to the unique needs of the industry



Digitalization & Innovation



Artificial intelligence (AI)

Solve complex operational challenges like dynamic route optimization, precise capacity and demand prediction



The Internet of Things (IoT)

Bring total visibility to supply chains, increase transparency and service quality

Post COVID-19: Supply Chain Trends Diversification



Respondents: 353
Countries: 77
Sectors: 19

Are you planning to diversify your supplier base geographically?



Multiple suppliers, production facilities and distribution location

- Reduce supply chain sourcing challenges through diversification of material sourcing
- Mitigate risk by adding regional flexibility

Source: Resilience 360

Are you planning to source more locally?



Dual-Sourcing Strategies

- Diversified Supplier Base & Local Sourcing
- Organizations plan to source more locally





THANK YOU



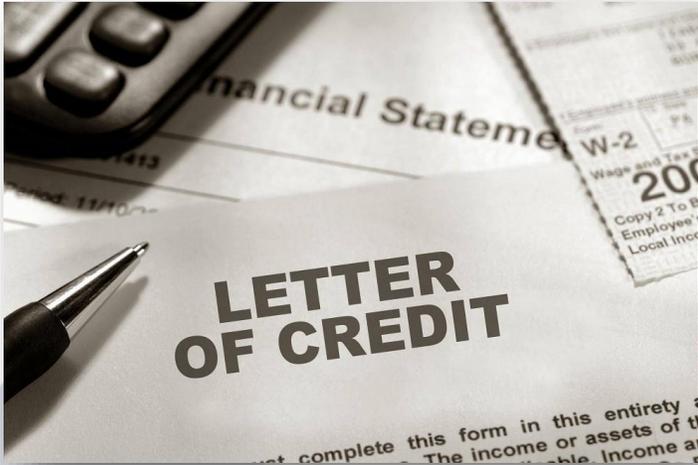
MADE IN ASIA 2020
Emerging from the
crisis: Resilience in
supply chains

Roger Lee
CEO TAL Group



**The global
COVID-19
crisis**

Customer Credit Risk Management amidst COVID-19



- ↑ Customers used to use **LC**
- ↑ Gradually phased out since it is difficult and costly to apply for LC



- ↑ Industry moved to open account and relied on **credit insurance**
- ↑ Problem with insurance: **insurers walk away** and stop coverage when you're sick!



- ↑ Facing the COVID crisis, Customers do not take any risks, the **supply chain suffers** from order cancellations, bad debts...

So what did we do?

We have to become credit experts overnight



Public information



Industry network

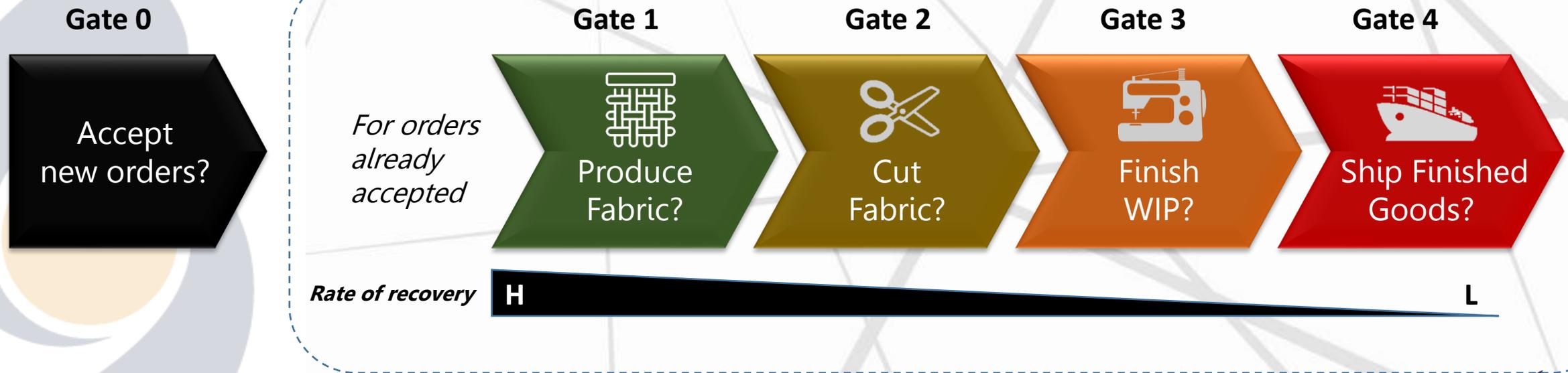


Customer's disclosure



We set up Credit Committee to assess customers' risk of going Chapter 11

Developed a mechanism using **4 Gates** to manage risk exposure



**Beyond COVID-19:
The Xinjiang
cotton crisis**



Beyond COVID-19: The Xinjiang Cotton Crisis



While the **US-China trade war** has been creating stress on the industry since 2018...



This time the administration went after China's Xinjiang cotton not from a trade and economic angle, but as a **human rights** issue

The industry's dependency on China is far higher than people thought!



When the Xinjiang cotton sanction started to emerge, we know **we are in trouble!**

Early 2020, as COVID broke out across China, the world's apparel buyers faced a supply chain shock and realized their high **dependency on China fabric**

For many years brands have actively **moved apparel sourcing away** from China

Xinjiang accounts for **22% of the world's cotton** and ~**50%** of extra-long-stable (ELS) cotton!

As the **#1 textile exporter**, China still accounts for 38% value of the world's textile export

Although China is still the **#1 garment exporter**, several other countries are gradually gaining importance

What did we do?





Looking ahead...

Brands want global partners to have the best of both worlds: one stop shop convenience vs. risk diversification

What CUSTOMERS want?

Brand objectives

- **Diversify macro risks:** trade wars, natural disasters, epidemic, etc.
- **Support their good-better-best portfolio**
- **Stay cost competitive**
- Delay decision making to **better read market**

Requirements for suppliers

- **Broad footprint** with flexibility to move orders around
- **Low Cost Countries (LCC)** options
- **Duty free** locations
- **Agility** and shorter **lead-time**

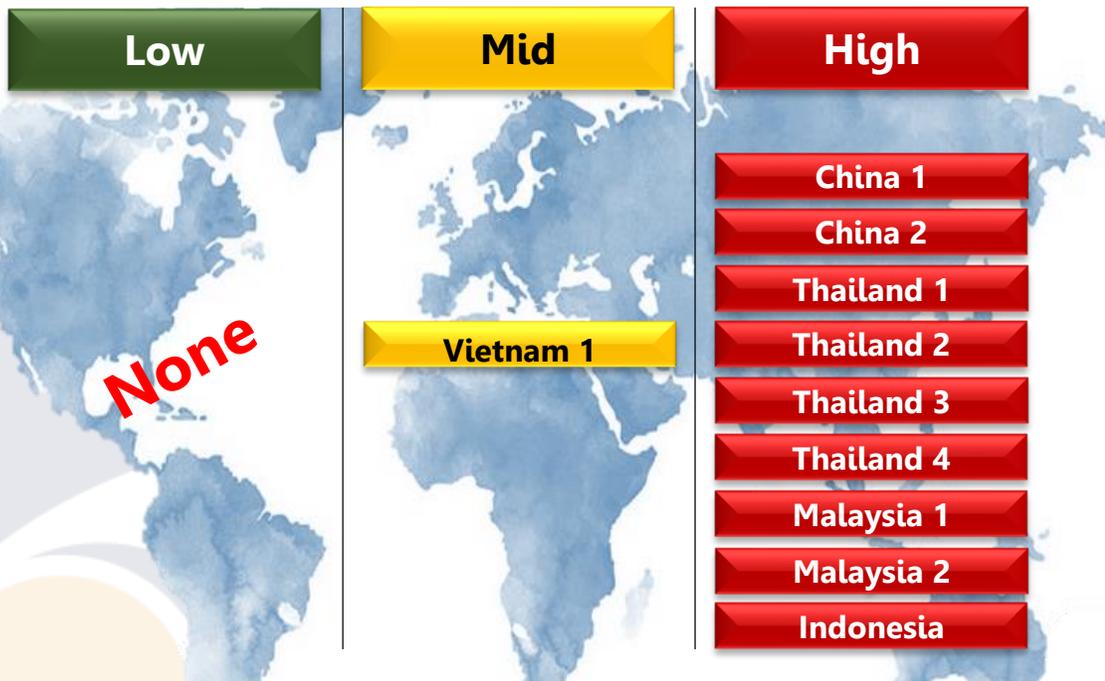
Supply side dynamics



Manufacturing industry will continue to **consolidate** around the world

TAL Apparel, being one of the earliest Hong Kong manufacturer to venture out of China, has always been actively rebalancing our footprint

Our Footprint in 2014



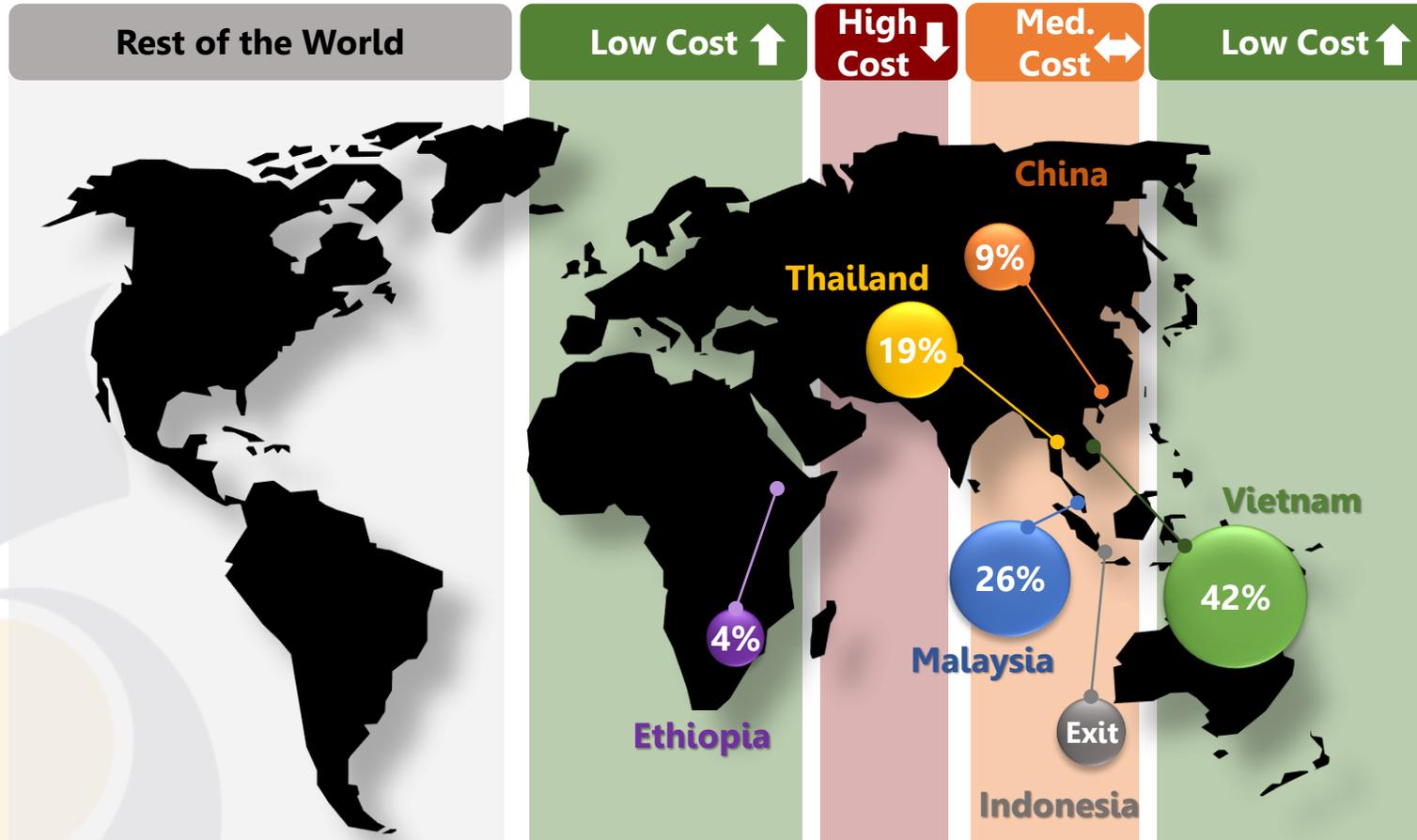
Among our 10 factories, all are in Asia and mostly in high cost countries...

Manufacturing Footprint Rebalancing

A series of actions between 2014-2017

- ↑ Entered Africa continent – first foothold in Ethiopia
- ↑ Grow in Vietnam
- ↑ Exit Indonesia
- ↑ Ramp down China

In Jan 2020, we have 10 factories spanning across 5 countries



Current footprint offers a wide range of options from **sophisticated workmanship** to low cost **duty free COO**

We will **continue to look for new countries** to add to our portfolio



Appendix



How do we decide on manufacturing footprint?



Our journey into Africa

Alignment of objectives

Development of a set of footprint design principles and evaluation criteria for the project

18-months worldwide scanning

Over 15 countries in 5 continents were researched and evaluated

- South Asia
- Eastern Europe
- The Americas
- Africa and Indian Ocean

Deep dive in Africa

54 African countries scanned and candidates shortlisted based on:

- Part of African Growth and Opportunity Act (AGOA), with duty free to US (22 countries)
- Free of major armed conflicts or pandemics (8 countries)

Ethiopia selected among peers like Tanzania, Kenya, Uganda, etc.

Comprehensive set of country evaluation criteria developed

