

Supply Chain @ ASOS

A Capital Markets Event



Not a retailer.

Not a platform.

A destination.

@ASOS.

OUR VISION TO THE #1 DESTINATION FOR FASHION LOVING 20-SOMETHINGS WORLDWIDE IS FOCUSED ON 5 STRATEGIC PILLARS

1. Truly global retailer

2. The ASOS Brands

Design that can't
be found anywhere
else

3. The ASOS Platform

One platform with all
the relevant product,
all of the time

4. The ASOS Experience

Inspiring, exciting,
friction-free and
personalised

5. Effective, efficient and sustainable model

INTRODUCTIONS

**MAT
DUNN**

Chief Financial
Officer

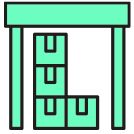
**MATT
ROGERS**

Group Supply Chain
Director

**GARY
BEVERIDGE**

Supply Chain
Development Director

EXEC OVERVIEW



Well-invested infrastructure, built out ahead of requirement and providing a strong runway for continued growth in all our markets



A strong team, working collaboratively with industry-leading partners



A focus on continuous improvement in consumer experience, productivity and effectiveness

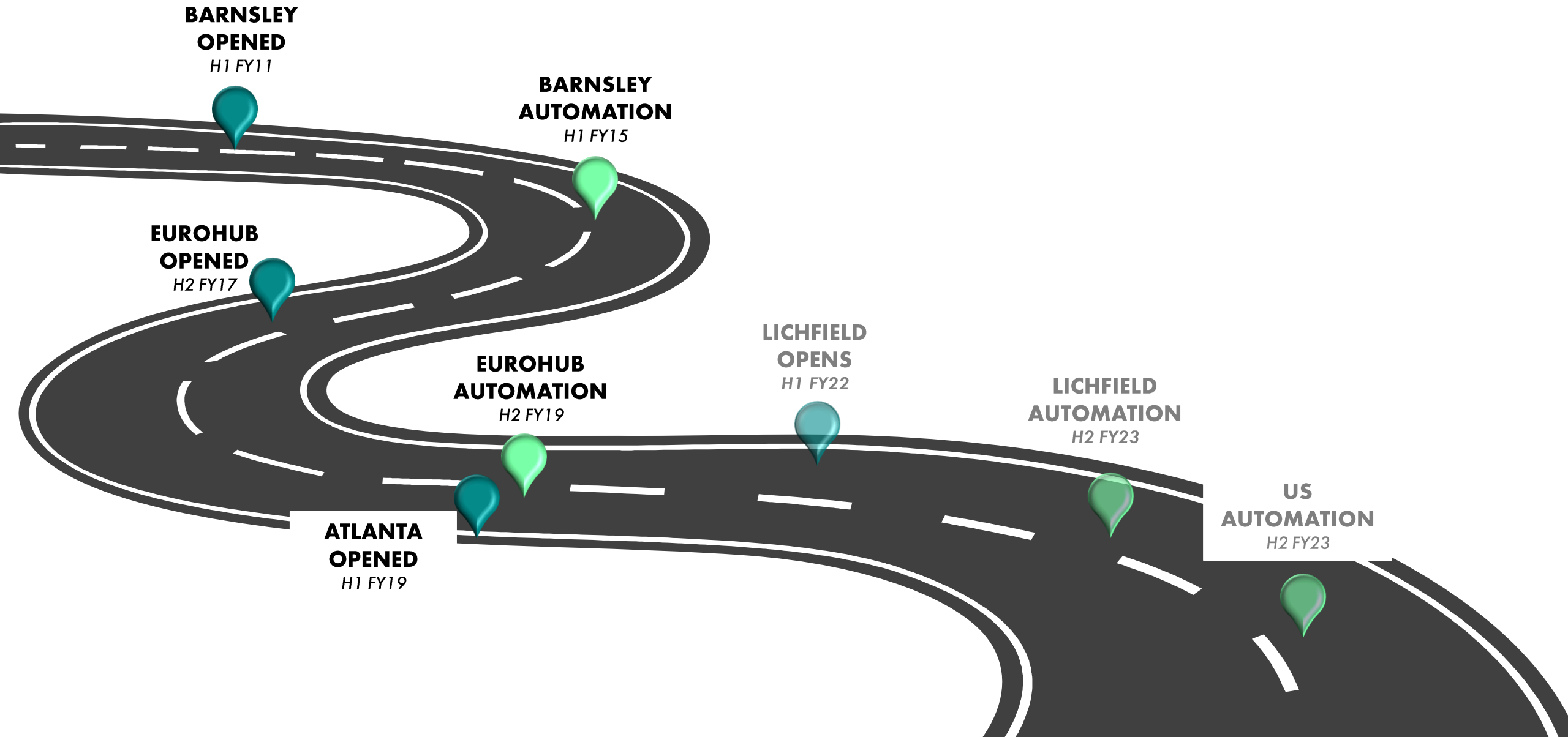


A proven approach to innovation within our fulfilment centres; trialling new opportunities, with all development fully focused on applicability and relevance



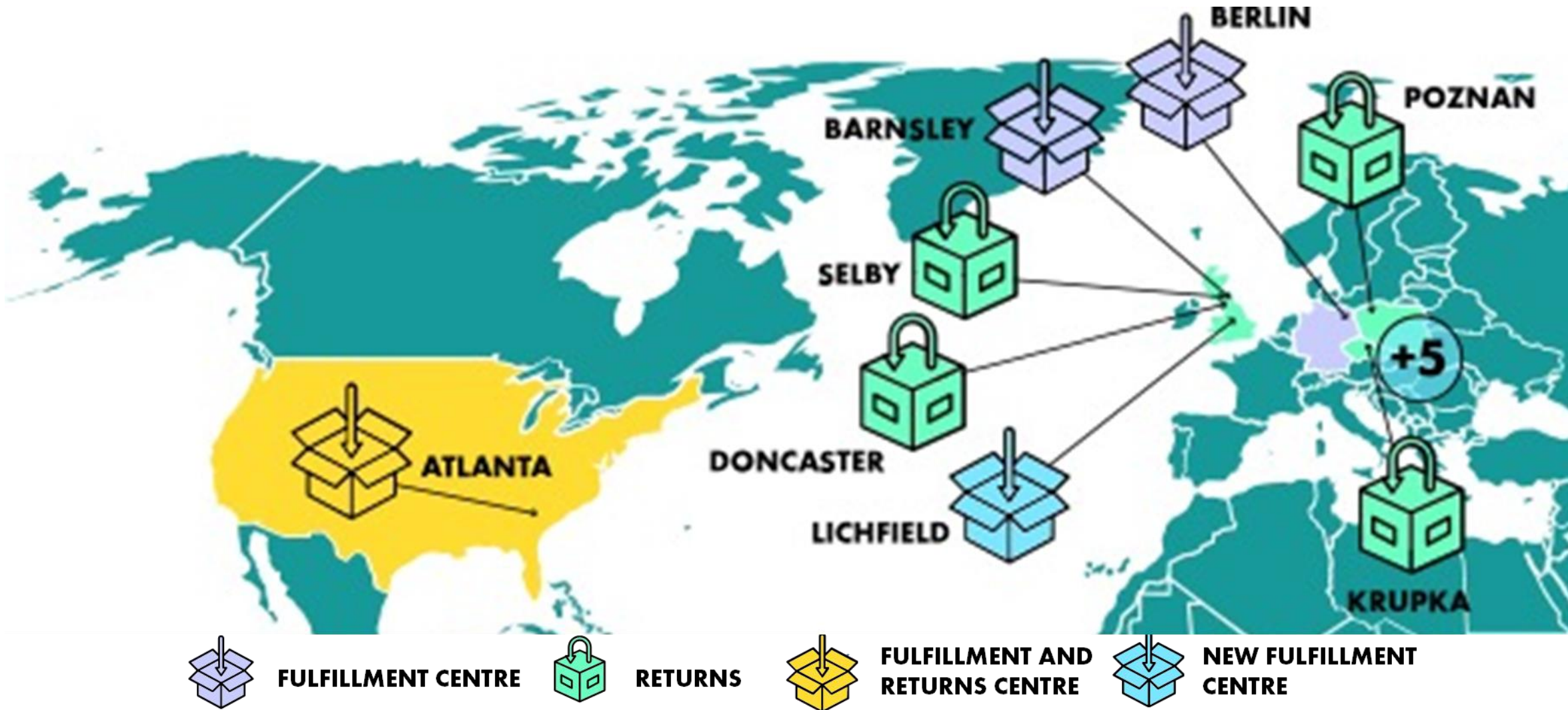
OUR JOURNEY TO > £6BN CAPACITY

In the next two years we are adding 50% new capacity



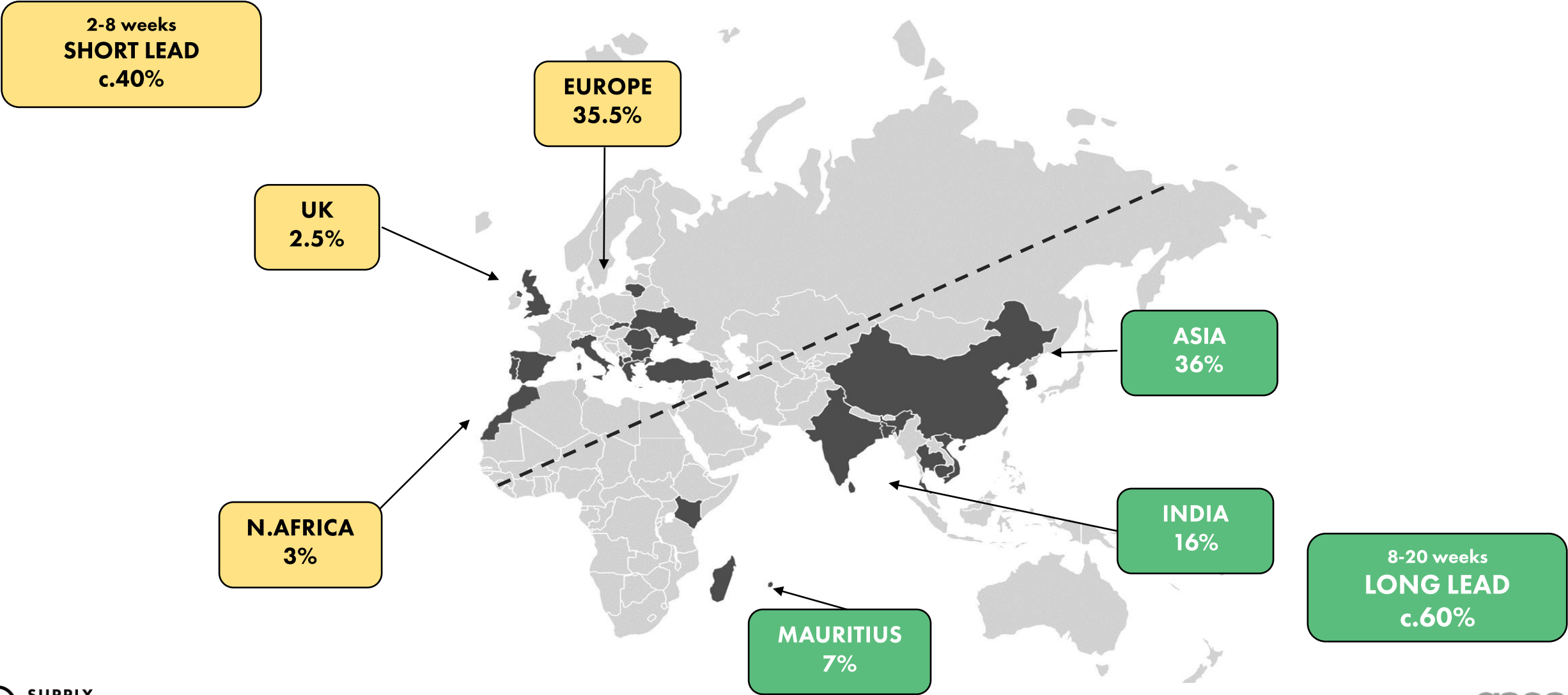
OUR NETWORK

Having built out these plans to expand to more than £6bn, we continue to plan for further growth beyond that



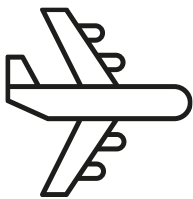
WE SOURCE FROM AROUND THE WORLD

Balancing air, sea and road freight to bring stock into our fulfilment centres

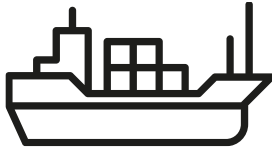


BALANCING SEA, AIR AND ROAD FREIGHT

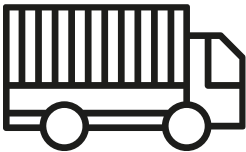
Focused on optimising both stock profile and cost



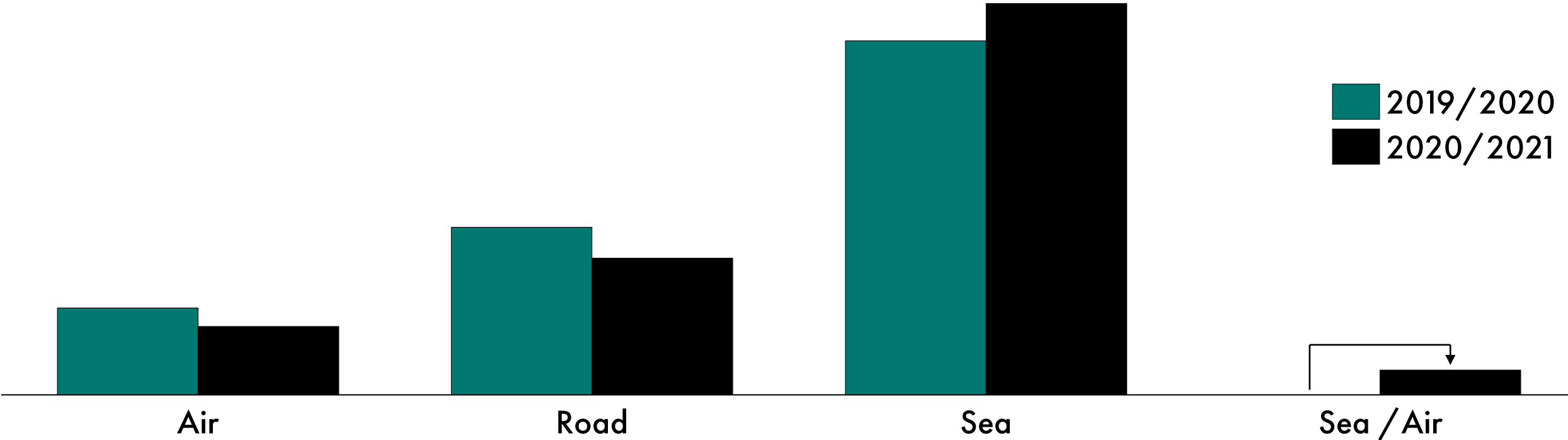
Introduction of sea / air
in FY21 reduced
premium airfreight



c. 60% of our FOB
volume arrives by sea



84% of volume goes direct
to each fulfilment centre



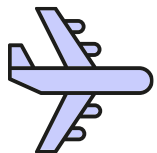
CURRENT MARKET DYNAMICS

Significant volatility across air and ocean services

CURRENT MARKET DYNAMICS...



Ocean freight rate spot market increased by 10x since early 2020 with lead times increasing between 7 – 14 days



Air freight rates at circa 2x previous levels

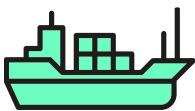


UK to EU lead time increases as a result of Brexit

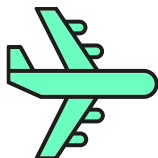


UK HGV Driver shortage

...ASOS RESPONSE



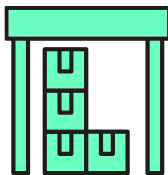
Entered long term ocean freight contract with major shipping line



Introduction of Sea / Air services to mitigate increased airfreight costs

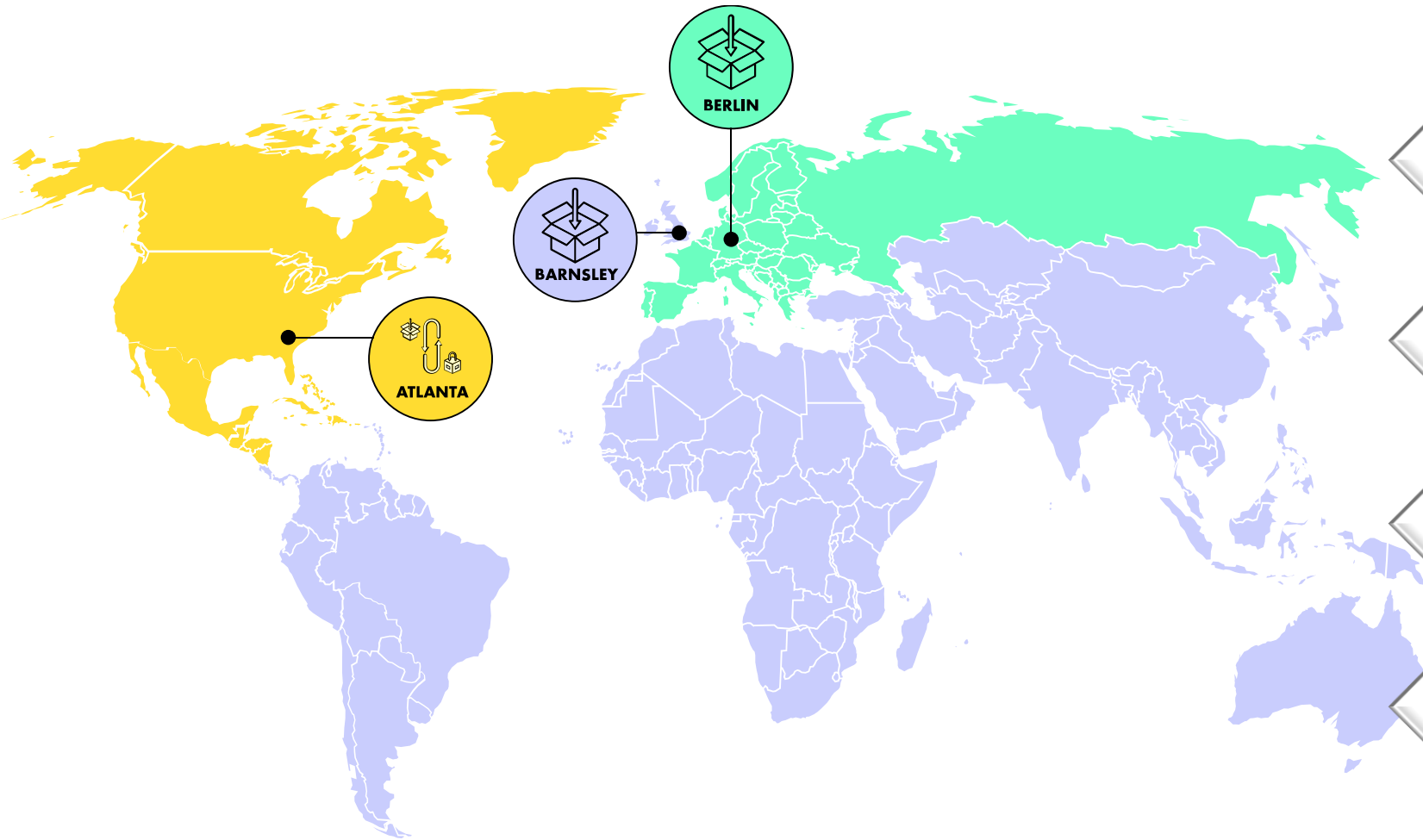


Lead time delays factored into future order book



Implementation of additional ports of entry into EU to reduce customs waiting times

OUR FULFILMENT CENTRES SUPPORT GLOBAL DELIVERY AND FRICTION-FREE CUSTOMER EXPERIENCE



31

global delivery
partners

200k

click and collect
locations





































216k

returns drop off
locations

85%

customers eligible for
next day delivery

ENABLING LEADING DELIVERY PROPOSITIONS

| | Premier | Fastest | Cut Off | Free Standard | Customer Promise (# of days) | Click and Collect | # of Locations |
|---|---|-----------|---------|---|------------------------------|---|----------------|
|  UK |  | Next Day* | 22:00 |  | 3 |  | 25,800 |
|  US |  | Next Day | 15:00 |  | 5 |  | 19,500 |
|  Germany |  | Next Day | 15:00 |  | 3 |  | 52,700 |
|  France |  | Next Day | 15:00 |  | 3 |  | 37,500 |
|  Spain |  | Next Day | 15:00 |  | 4 – 6 |  | 8,500 |
|  Italy |  | Next Day | 15:00 |  | 3 – 5 |  | 3,000 |
|  Russia |  | 3 days | 11:00 |  | 7 – 9 |  | 48,900 |
|  Australia |  | 2-3 days | 14:00 |  | 7 – 14 |  | 4,500 |
|  UAE |  | 3 days | 23:59 |  | 6 |  | - |

SUPPORTED BY A SOPHISTICATED RETURNS PROCESS



97% of returns are resold after inspection



Friction-free returns experience across key markets



45 units processed per hour per colleague



Rigorous cleaning and returns process



AND STRONG 3RD PARTY LOGISTICS PARTNERSHIPS



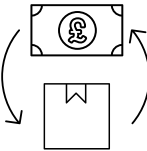
Partners selected based on regional expertise and services offered



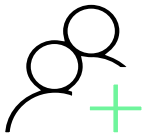
Multi-3PL strategy drives innovation



Site specific objectives and improvement targets agreed annually



'ASOS Lean framework' drives consistency through operations and tracks progress against efficiency targets



First class welfare facilities across all ASOS locations

GXO
Logistics at full potential

DHL
SUPPLY CHAIN

IN RAM MICRO



UNDERPINNING THIS ALL IS OUR NON-NEGOTIABLE FOCUS ON SUSTAINABILITY

**13% REDUCTION IN
CARBON FOOTPRINT
(2020)**

**USE OF ELECTRIC
DELIVERIES IN
10 COUNTRIES**

**PARCEL
CONSOLIDATION &
PAPERLESS RETURNS**

**75% RENEWABLE
ENERGY**



SUPPLY CHAIN OPERATIONS SUMMARY



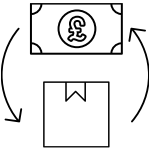
Well-invested network developed ahead of requirement supporting business growth



Well-positioned against current market dynamics



Our customers and colleagues are at the heart of everything we do



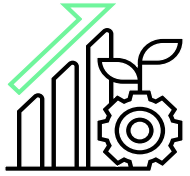
We are obsessed with continuous improvement to achieve operational excellence, enhance productivity and generate cost efficiencies



We do this all with integrity, with a relentless focus on sustainability and reducing our environmental impact

WORLDCLASS AUTOMATION

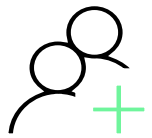
SPOTLIGHT ON BARNSLEY AND EUROHUB



Proven technology standardises processes across facilities



Constantly assessing new tech & solutions, pilots enable us to prove solutions prior to full implementation



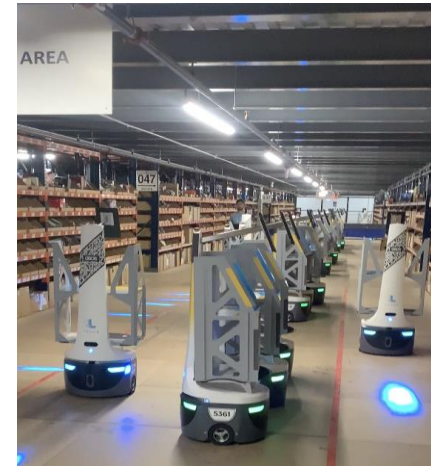
An incremental approach to automation improves the overall ROI with each iteration of automation that we implement



Barnsley cranes



Berlin shuttles



Atlanta picking robot

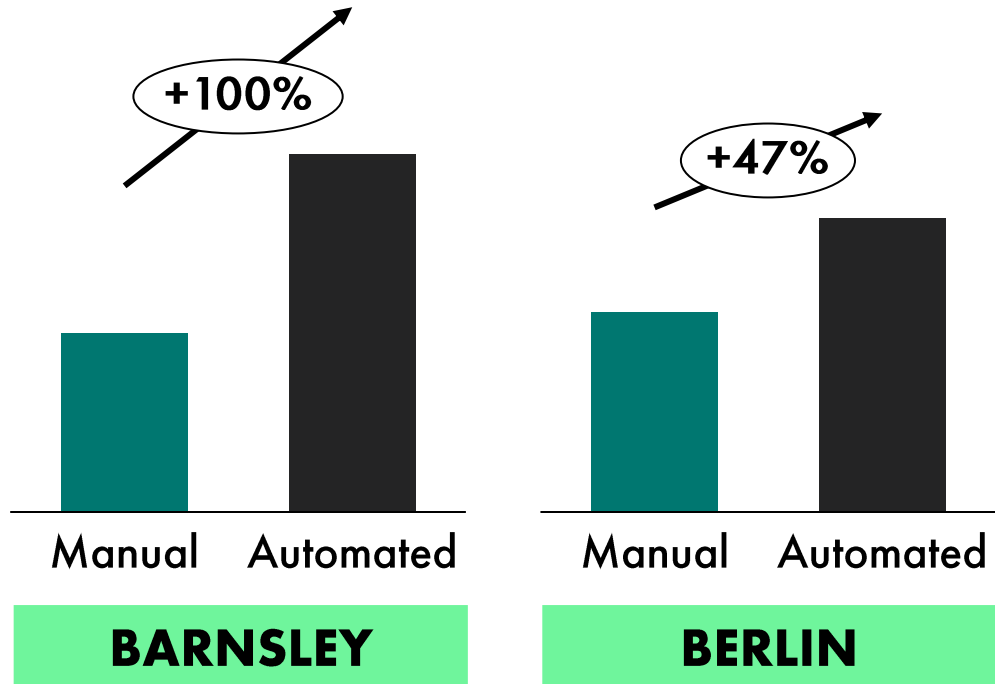


Berlin robotic arm trial

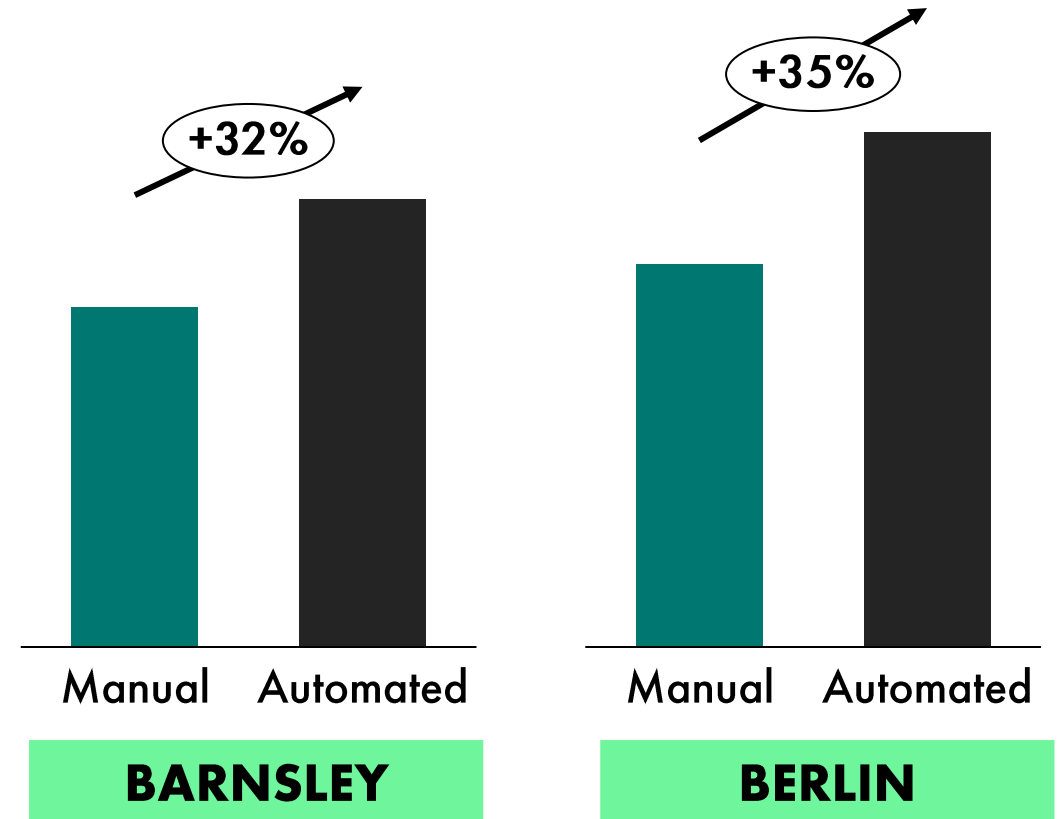
WORLDCLASS AUTOMATION

DRIVES SIGNIFICANT EFFICIENCY IMPROVEMENTS

PICK RATE EFFICIENCY IMPROVEMENTS

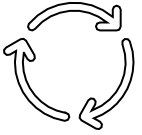


PACK RATE EFFICIENCY IMPROVEMENTS



RAMPING UP TO AUTOMATION

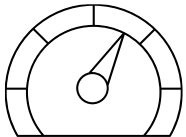
SPOTLIGHT ON ATLANTA



Implementing part-automation in the first phase readies the site for full automation



Establishing the operation and allowing it to mature allows the 3rd party logistics provider to focus on the ramp up

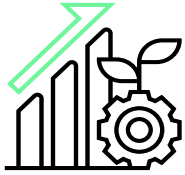


Investing in automation drives a productivity loop that allows us to re-invest in the customer



APPROACHING A NEW FULFILMENT CENTRE

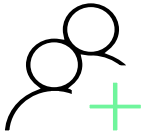
SPOTLIGHT ON LICHFIELD



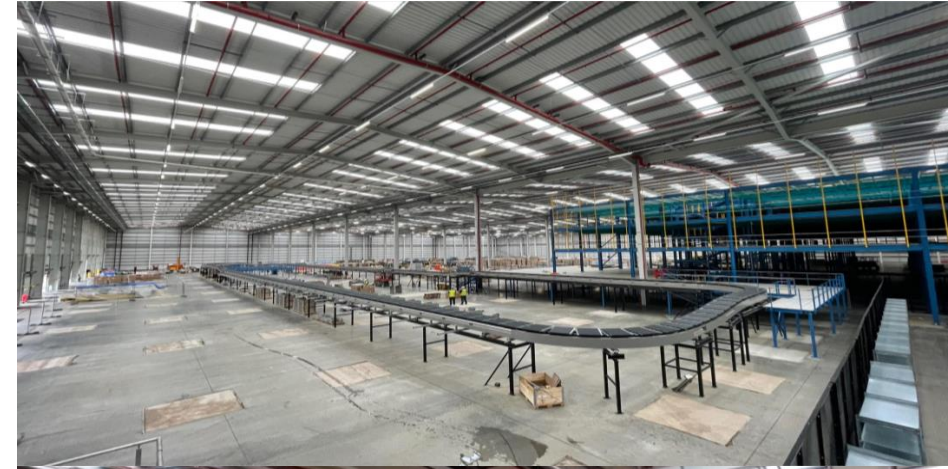
Selecting the facility location & size is key to ensuring future success with a network providing the right scale and right setup



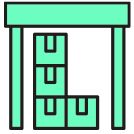
Execution of our well developed 'playbook' is key for ensuring efficiency & effectiveness is embedded early



Optimise and enhance through our Lean Framework & plan the right time to automate



IN SUMMARY



Well-invested infrastructure, built out ahead of requirement and providing a strong runway for continued growth in all our markets



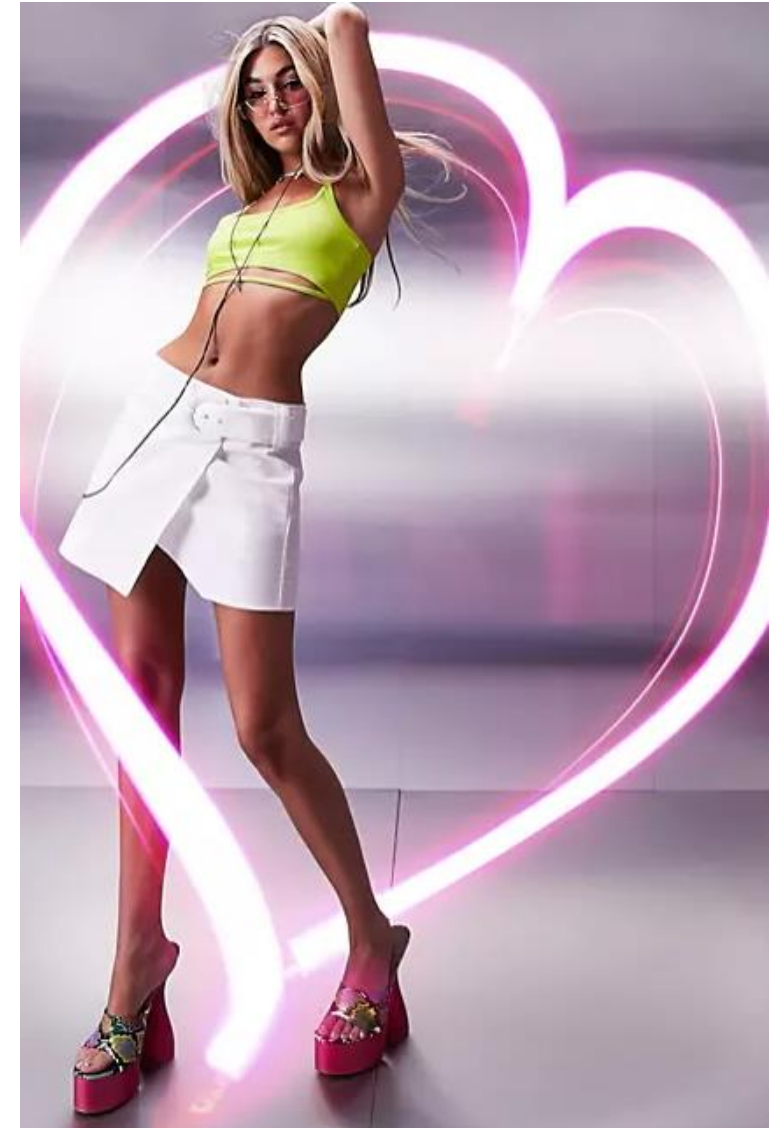
A strong team, working collaboratively with industry-leading partners



A focus on continuous improvement in consumer experience, productivity and effectiveness



A proven approach to innovation within our fulfilment centres; trialling new opportunities, with all development fully focused on applicability and relevance



Q&A

