

Forward thinking supply chains continued >>>

20 September 2023

SAPICS Spring Conference

Indaba Hotel, Fourways, Johannesburg, South Africa

Gearing our Supply Chain for now, and the future -

The Cotton RSA Supply Chain story

Phil Marais

Our Agenda

1. Introduction
2. Aligned Company Strategies
3. The Build
4. The Move
5. Today and moving forward

Our Strategy

Deliver sustainable growth,
To do more Good.

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Our Strategic Priorities

1. Inspiring Leadership
2. Famous for Customer
3. Brands with Purpose
4. Deliver Healthy Stock
5. World's Best Supply Chain
6. Disciplined to Our Commercial Model



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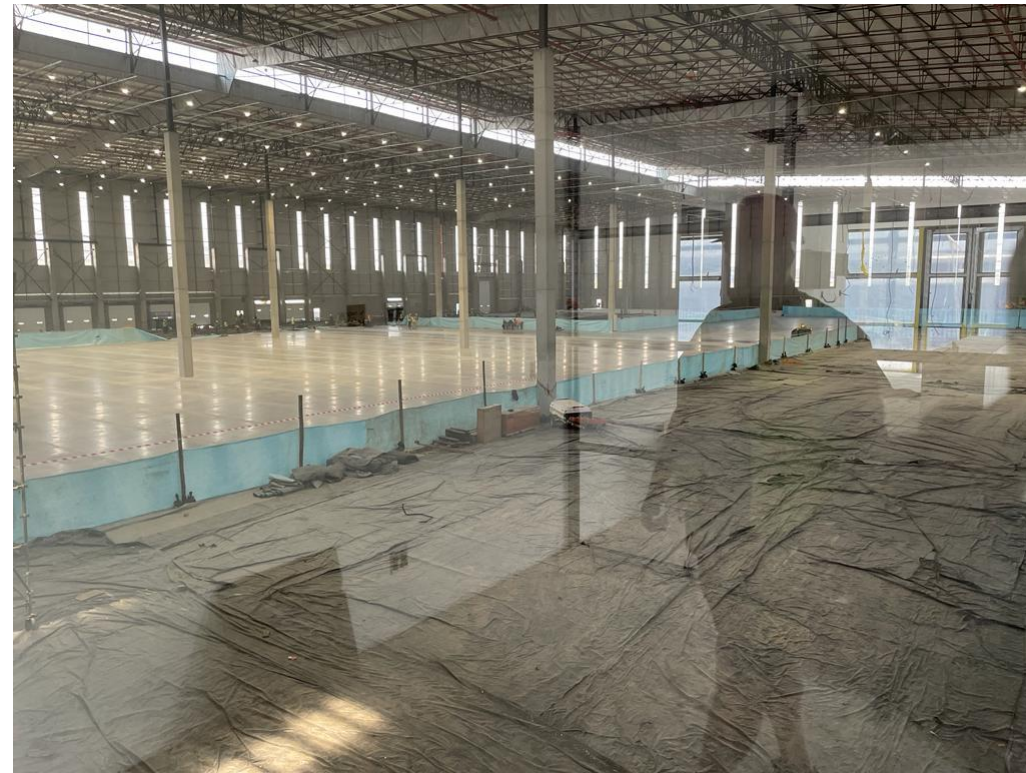
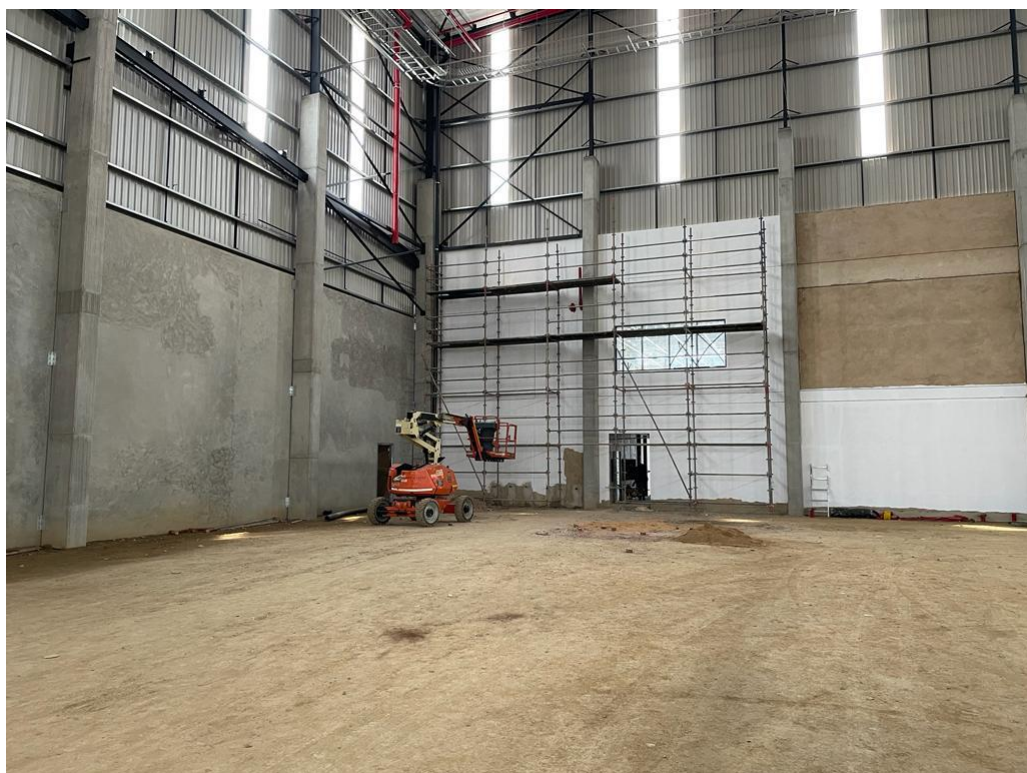
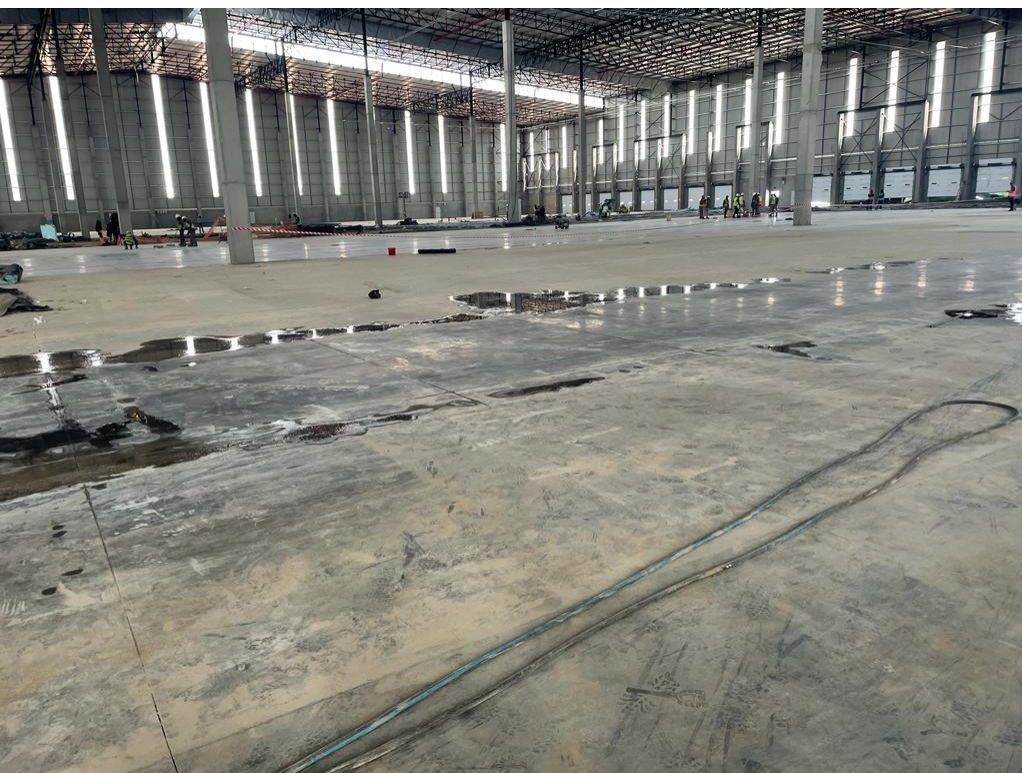
The Build

- Discussion with Developer Jan 20 (pre-COVID)
- Business case and Project Plan
- Broke ground March 2021
- Moved Head Office from Rosebank in May 2022
- Moved Distribution Centre in June/July 2022



The Build

- Weekly Site Planning meetings, communicating Project plan to our Principles in Australia
- Onsite inspection
- Change Management, Planning and Vendor management
- Execution of the plan
- In parallel with Operations that have to be seamless
- 20000m², 200kW Solar install, grey water harvesting, motion sensed LED lighting, 310 000 bricks, 2941m³ of concrete, excl the 30cm thick floors and 420 tons of steel



The Move

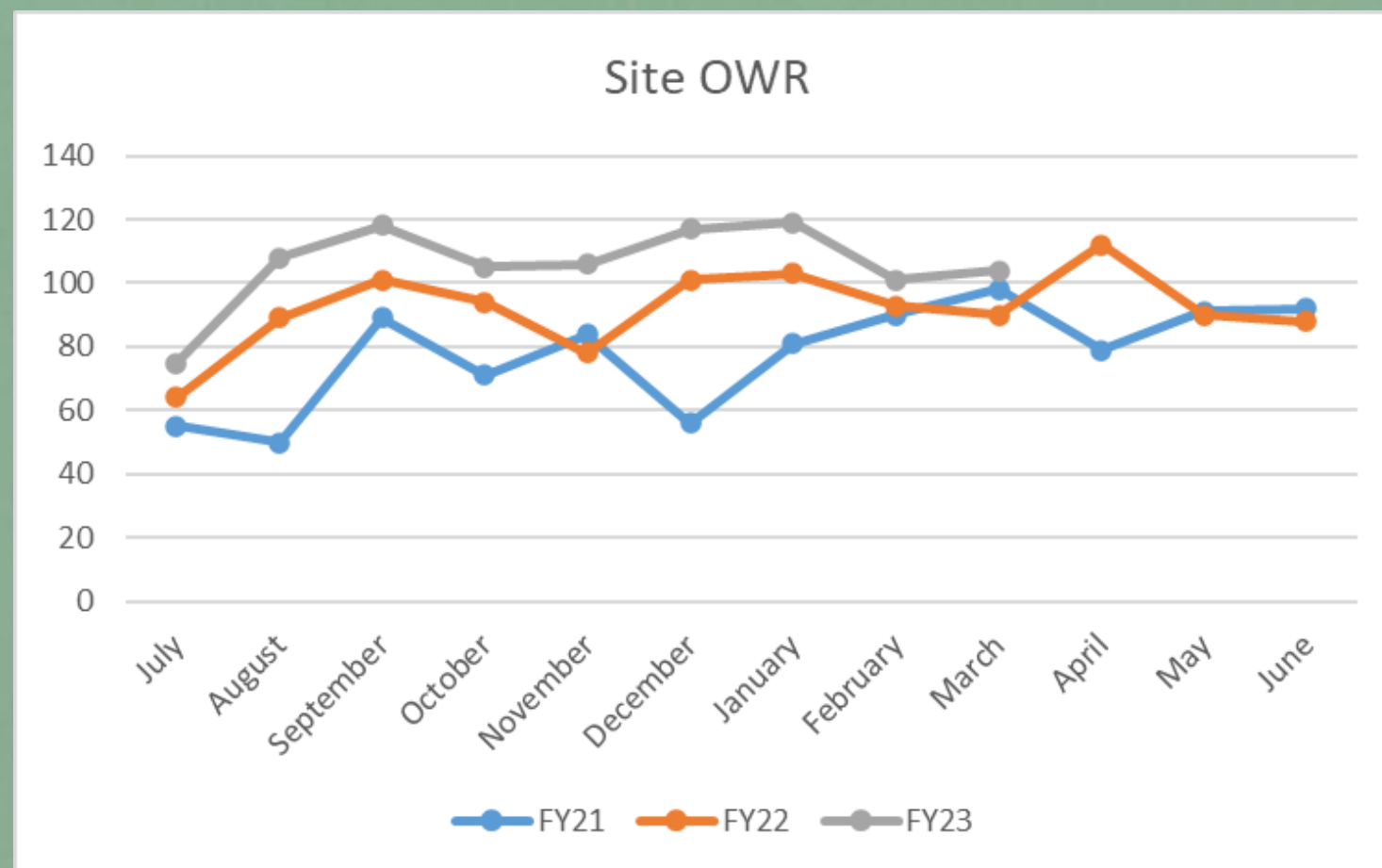
- 2'2m units moved from Pomona to Waterfall
- More the 100 truckloads
- 4 weeks, with us only disrupting each brand for 4 days
- Planned with our customers, so that we delivered the best outcome, with minimal disruption
- Almost seamless transition, thanks to tireless planning, execution and diligence

BAU – is Supply Chain ever stagnant?

- CI makes Supply Chain teams tick
- Engineering change
- Change management for teams – you're only as fast as your slowest adaptor
- Publishing results, sharing wins and losses
- Engaging teams
- Ever-changing customer habits / demands

Site Productivity results

1. 15,14% improvement in FY22
2. 13,2% improvement YTD in FY23 at Waterfall DC
3. Volume adjusted numbers will elevate this performance



Supply Chain and IT Strategic Priorities



People

- New team in place, a few operational tweaks, getting into our new operating rhythm (DC and IT)
- Engagement focus, The power of reiteration is ongoing, Information Flows and Stay Interviews have been completed
- Efficiency drive strategy allows us to work with Brands and DC team of best ways of working.

Global Partners

- DC Operations (Hot Pick zones and Min/Max) to optimise day shift replen challenges
- BNPL Options for stores
- BR DC/IT plans

Local Actions

- Relay for Kids and Factorie
- Transport costs (Local transport / FY negotiations / IBTs)
- IT cell phone contracts

RSA DC Strive for Excellence – Winter 2023

1. Summary
2. Q&A
3. Thank you

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