

# ***Wincanton***

At the heart of British supply chains

Capital Markets Day - 7 July 2022

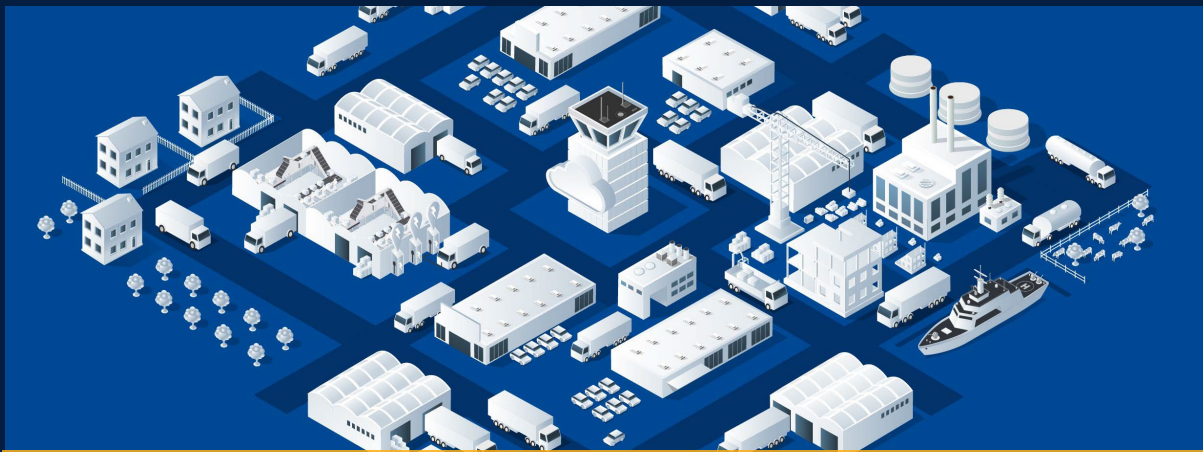


# Welcome to — Capital Markets Day — 2022

Play



***Wincanton***



A broad business model



Investing in technology



Capitalising on growth opportunities



Strategic investments underpin offer

The supply chain partner for British business

***Wincanton***





High volume eFulfillment



Innovation



Large scale outsourced operations



Extended supply chain management

# What we do

## Key facts\*

**£1.4bn**  
revenue

**20,300**  
colleagues

**16.1m**  
sq ft warehouse  
space

**8,500**  
vehicles

**170+**  
sites

**5,380**  
drivers

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\* Figures: 2021-22

# The evolution of Wincanton



- 1 Refocused on four sectors: foundation and growth markets clearly identified
- 2 Accelerated investment in mid-market eCommerce retailers
- 3 Expansion of Public sector operations
- 4 Greater emphasis on Wincanton technology to deliver for customers
- 5 Strong Group culture: the Wincanton Way



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# A strong track record of delivery



## Revenue 2021-22

**£1,421.4m**

**+16.3%**

Consolidated Group  
revenue:

2022	1,421.4
2021	1,221.9
2020	1,201.2
2019	1,141.5
2018	1,171.9

## Underlying PBT 2021-22

**£58.1m**

**+23.1%**

Statutory PBT £54.8m  
(2021: £46.2m as restated)

2022	58.1
2021	47.2
2020	52.8
2019	49.3
2018	46.4

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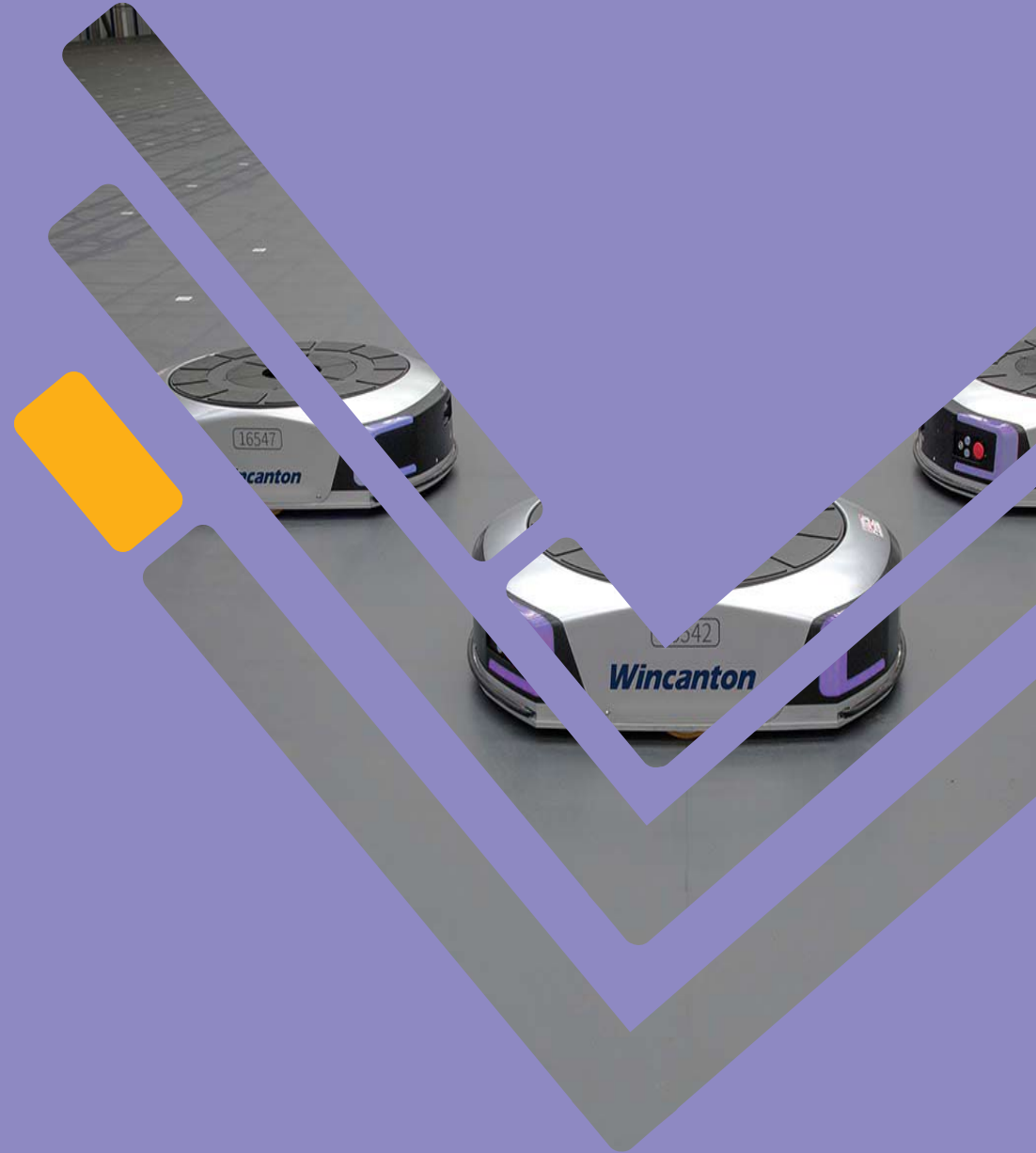
# Wincanton's value creation drivers





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## ***Operations overview***





## Career history

- Joined Brakes as part of Bain Capital management team; became COO and European VP for Sysco post-acquisition
- From 2003, member of executive committees of Iceland Stores then Booker Group until 2015
- Earlier career in engineering and supply chain at Mars, British Gas and Nissan



Ian Keilty

Chief Operating Officer

*Joined Wincanton, November 2018*

**Sysco**

**MARS**



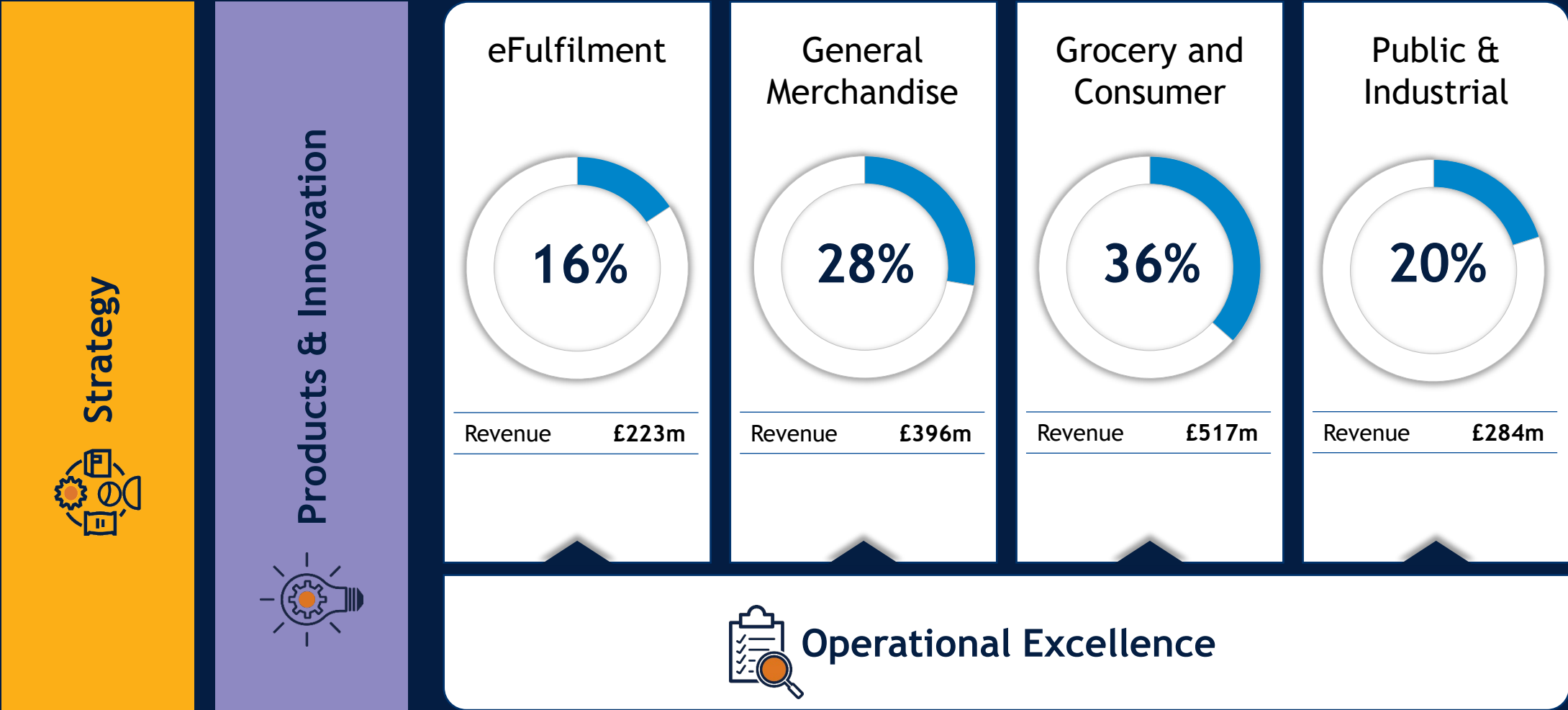
**Iceland**

**BOOKER**  
Group

**British Gas**

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# Our business today



# Speakers



## Carl Meewezen

### MD of Public and Industrial

- A long career in civil service
- Director at the Cabinet Office
- Led successive reforms to government operations



## Rachel Gilbey

### MD of General Merchandise

- One of Wincanton's talent success stories
- Progressed to Finance Director for retail division
- MD FMCG brands including LRS, P&G, Heinz and Britvic



## Carl Moore

### MD of eFulfilment

- Previously CCO at Clipper Logistics
- Led large scale retail operations for John Lewis, Asos, Asda, Tesco and Pretty Little Thing
- 12 years with retailer, The Homestyle Group



# Industry trends and our responses

## Trend

Growth in eCommerce

Grocery and DIY will be resilient but driving efficiency will be critical

Increase in spending in Public sector and Infrastructure

Scarcity and volatility in labour, transport and warehousing

## Our Response

Cygnia and The WEB

Flexi People and Automation/Robotics

Investments in supply chain visibility

Development of marketplace capabilities, e.g OneVAST

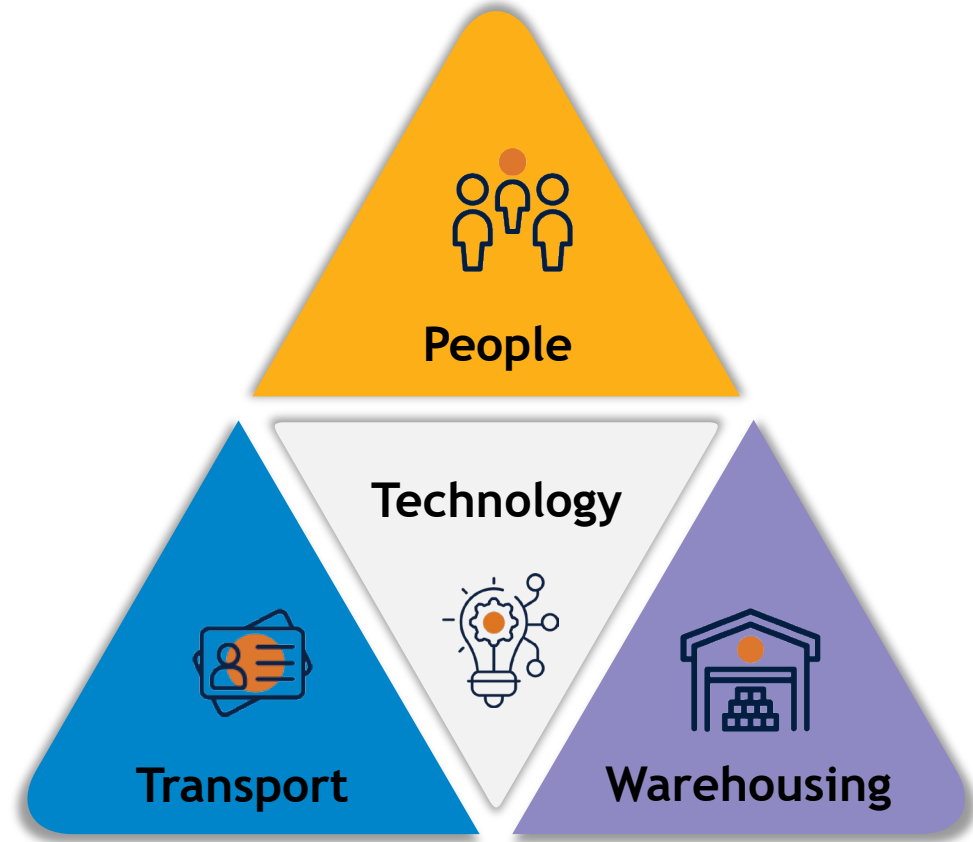


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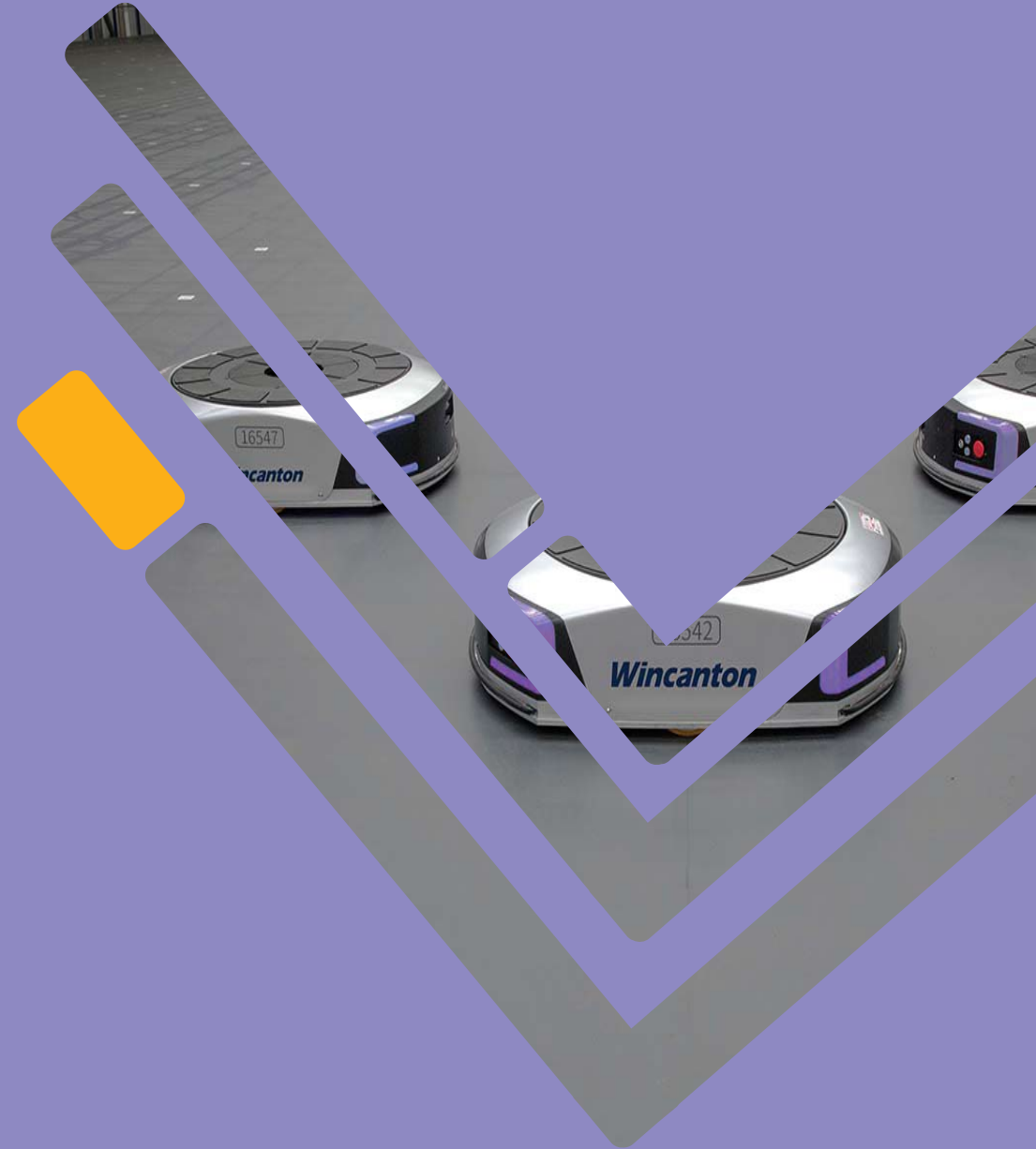
# Investing in our capability and capacity



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# ***Wincanton***

## ***Products and Innovation***



## Career history

- Joined Wincanton in 2007, most recently MD for eFulfilment - focus on eCommerce capability and customer growth
- Previously Business Director, DHL Supply Chain via acquisition of Tibbett & Britten Group in 2004
- Four years in Hong Kong and China establishing Contract Logistics for San Miguel, Johnson & Johnson and Hutchison Whampoa.



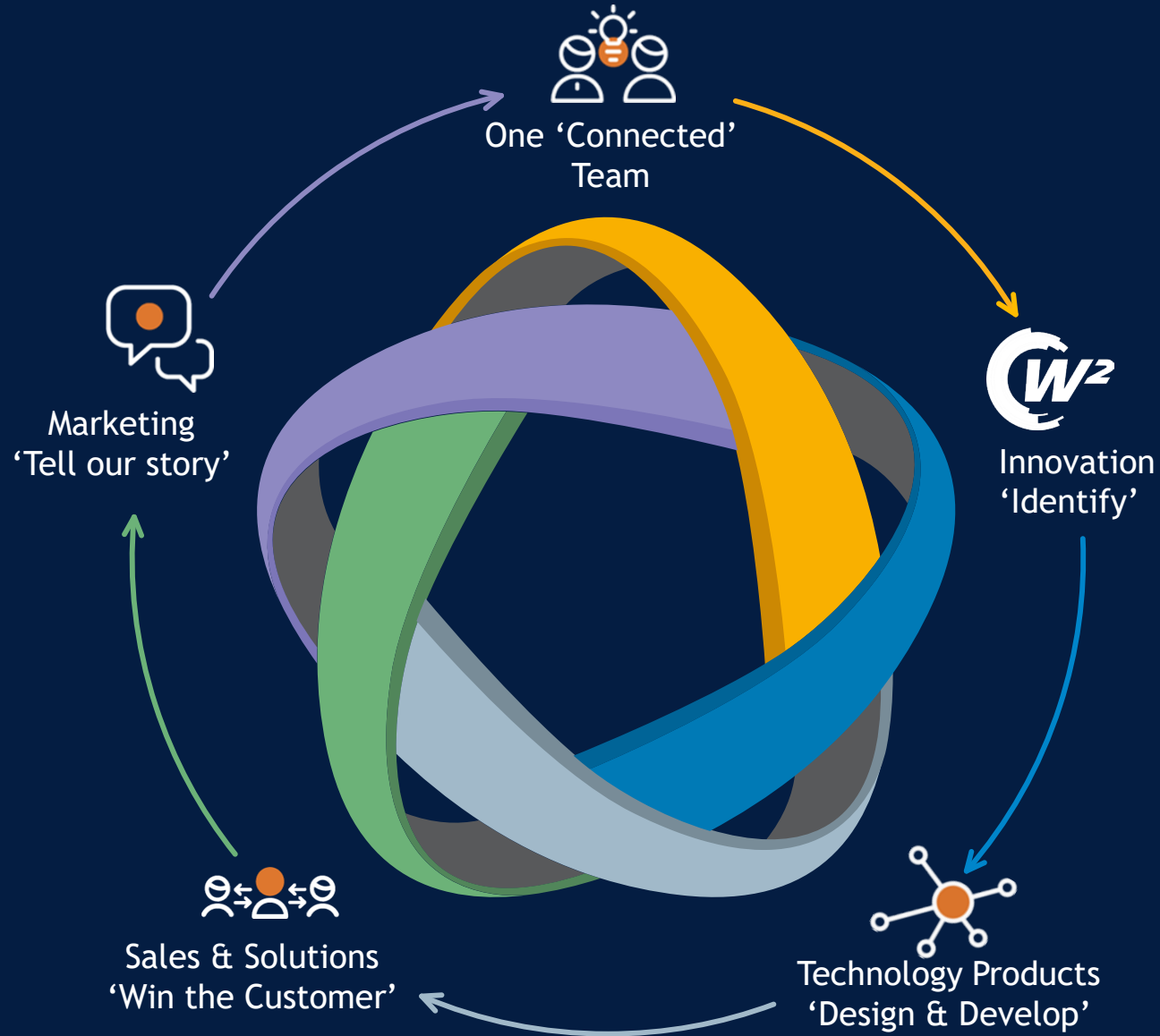
Paul Durkin

Chief Customer & Innovation Officer

*Appointed, July 2021*

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# Organised to innovate and develop



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# Creating our product landscape



## VISIBILITY

End-to-end supply chain e.g. inventory management



## CONNECTIVITY

Systems integration e.g. middleware



## ENABLING

Core business efficiencies e.g. WMS



## OPTIMISATION

Improve existing operations e.g. robotics



## ADDING VALUE

Complementary services e.g. oneVAST

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# How we innovate and develop our products



nomagic  
pick&ship®



Perform  
Powered by Cognitops

Recruiter  
Powered by Thrivemap



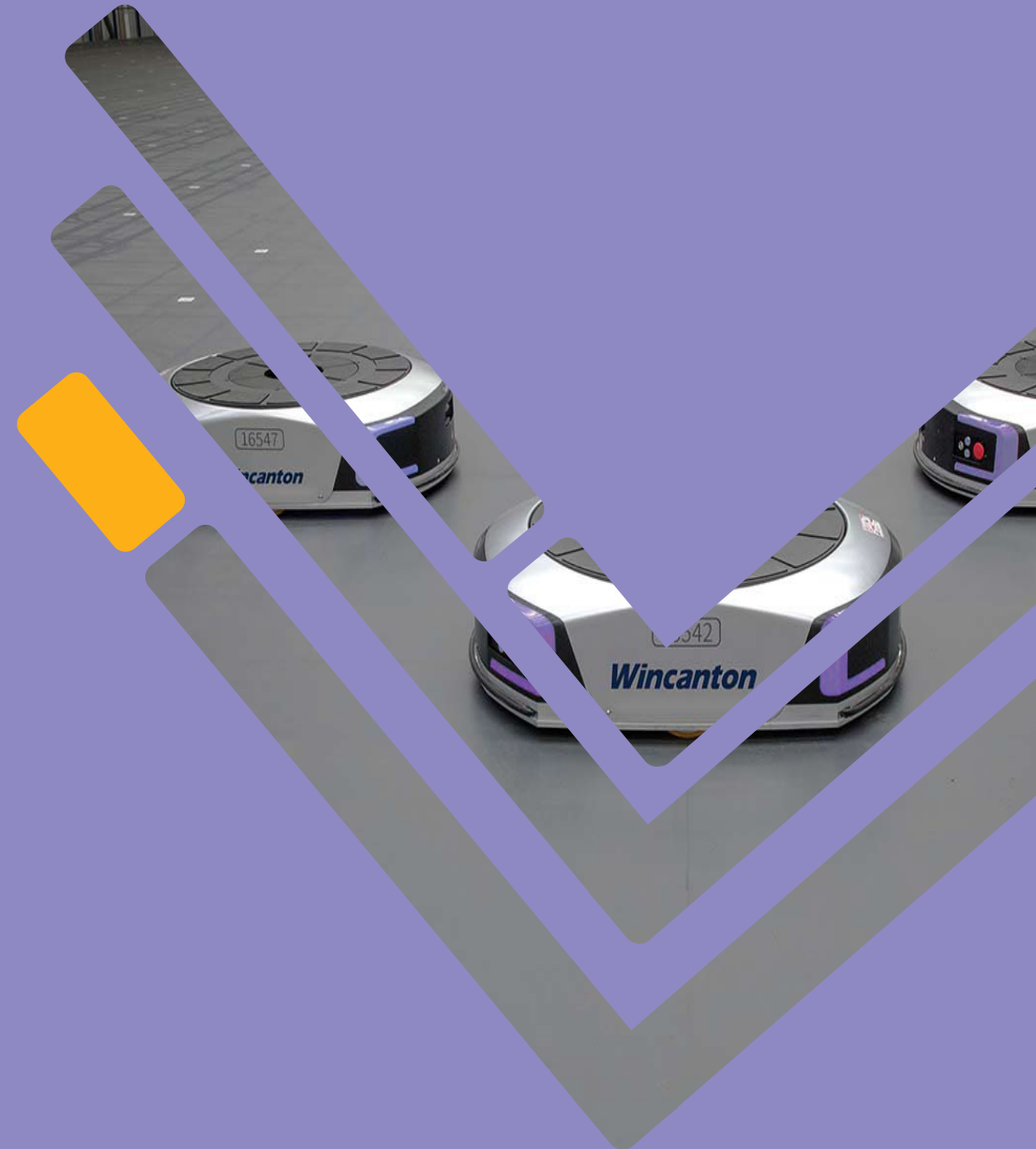
ONEVAST  
WAREHOUSE



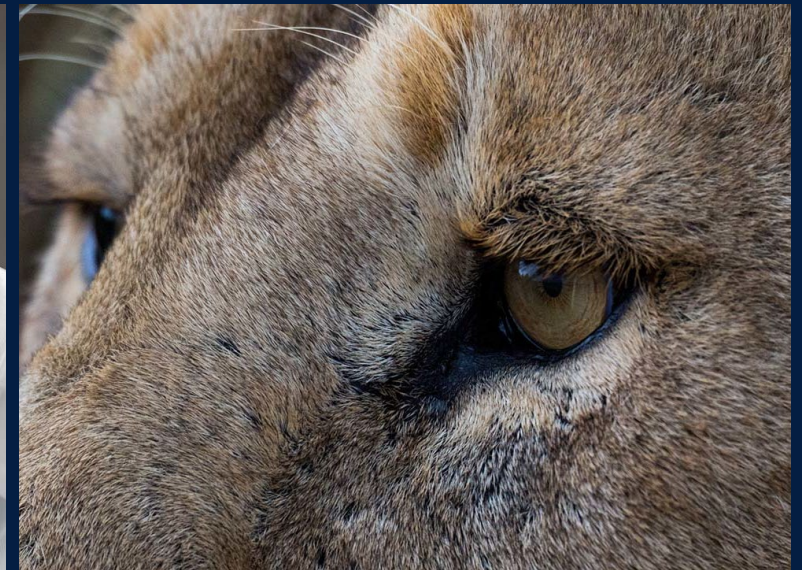
*Collaborative  
technology*

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***Public and Industrial  
opportunities***







Sector overview

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# Public sector



HM Revenue  
& Customs



Department  
of Health &  
Social Care



## Inland Border Facility

**8 days**

to deliver  
7 operational sites  
nationwide

**235**

content inspections  
performed every month

**40**

acre site

**11,000**

vehicle movements  
per week

## Healthcare

**1.5 billion**

units distributed

**100%**

accuracy

**30%**

of the network

**50%**

of the capacity

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# Infrastructure

EDF energy

£100 billion government  
**commitment to  
infrastructure**  
investment over the  
next 3 years\*



**Rob Evan, Integration Manager,  
Hinkley Point C:**

*"Wincanton has also innovated every step of the way with industry-leading technologies that improve supply chain visibility, manage stock availability and monitor compliance to minimise our impact on the local communities."*

## The numbers

**£23 billion**  
megaproject

**7%**  
of UK electricity

**1 million**  
sq ft over 5 sites

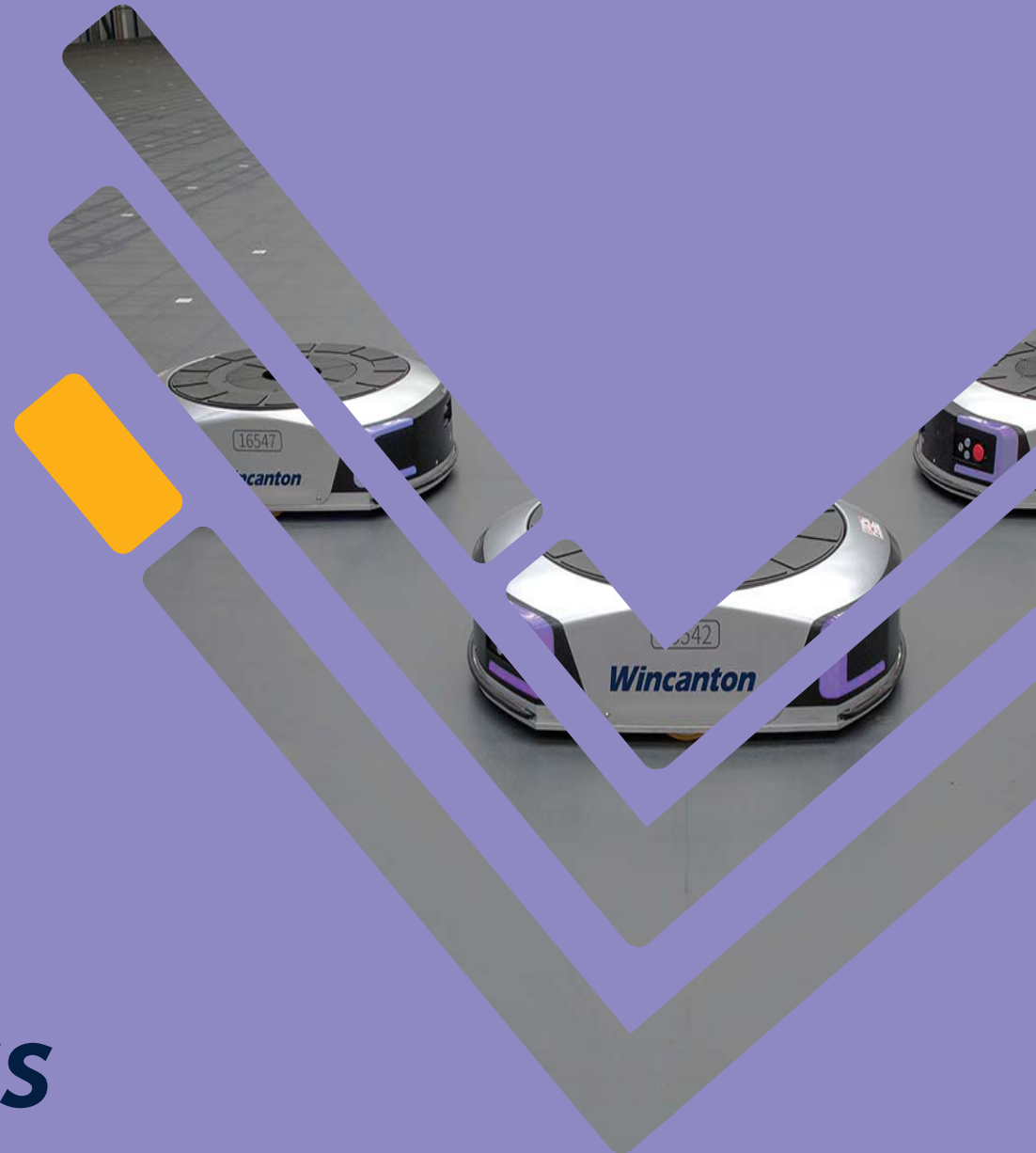
**1.25 million**  
cubic meters  
of concrete



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***Innovation in  
our foundation sectors***





# Sector overview

Market leader in DIY  
and trade fulfilment



7,000  
Colleagues



6m  
warehouse  
space



25%  
eFulfilment

New customers and  
diversification

PRIMARK®



Upstream

Investing in eFulfilment

SCREWFIX

Omni fulfilment  
Two-person Home Delivery



Click & Collect  
Home Delivery

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# Supporting omnichannel growth through innovation

## Goods to person automation

**40%**  
increase in  
pick capacity

**21,000**  
storage locations

**5x**  
faster

**99.99%**  
orders  
despatched KPI

**SCREWFIX**





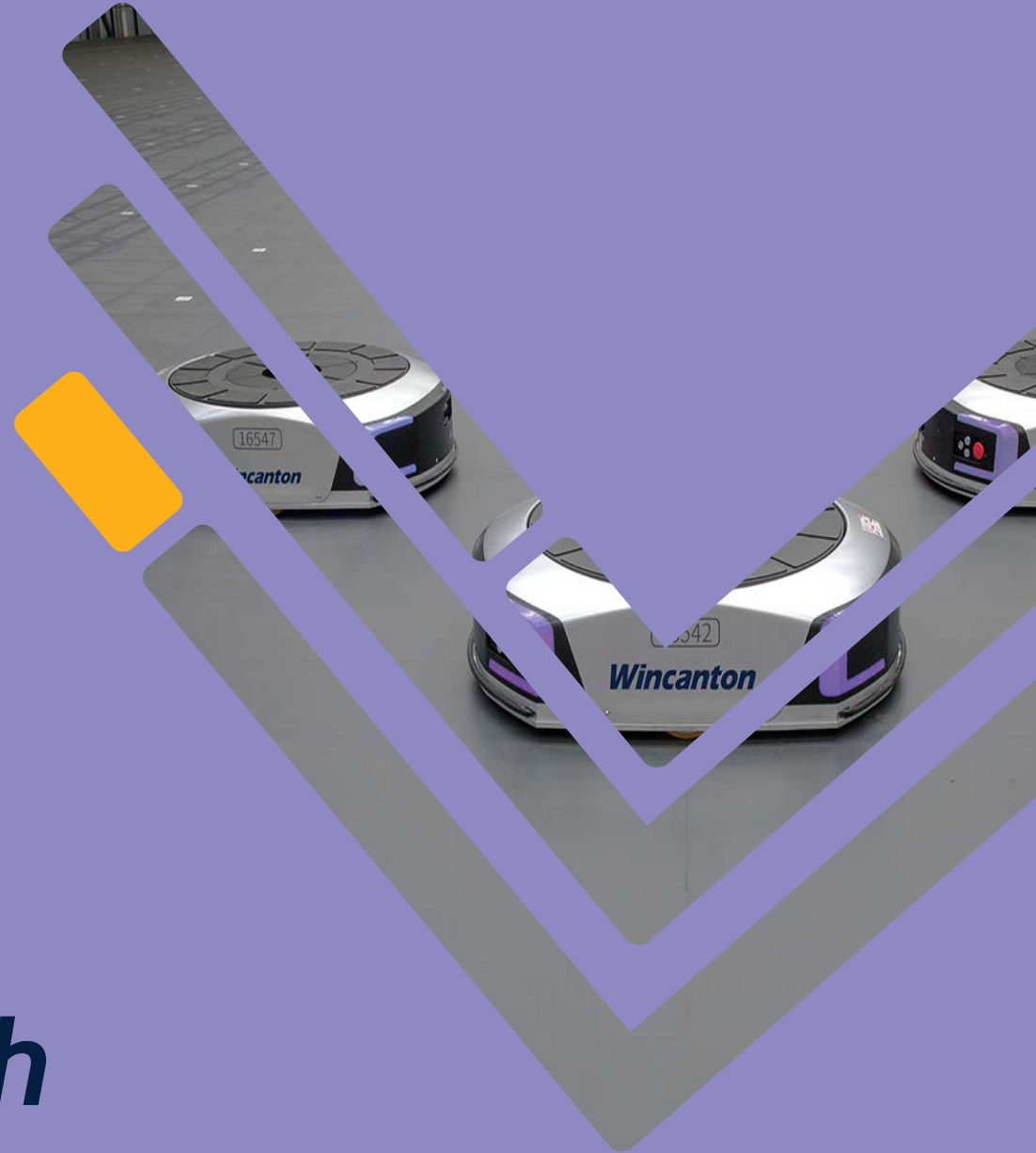
# Learning from innovation in foundation markets



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***eFulfilment  
innovation and growth***





# Sector overview

## Current scale and capability

High volume  
eFulfilment

Dark stores /  
omni-channel  
retailers

Premium  
two-person  
home  
delivery

**£223m**  
eFulfilment  
revenue

**123m**  
eFulfilment  
units fulfilled

**3,283**  
eFulfilment  
team

**600+**  
Final mile  
delivery drivers

**46**  
eFulfilment  
customers

**1.7m**  
Two person  
home deliveries

Figures: 2021-22

west elm



WAITROSE  
& PARTNERS

THE WHITE COMPANY  
LONDON

dwell



HOMEbase  
FEELS *good* TO BE HOME



dobbies  
garden centres

SCREWFIX

M&S  
EST. 1884



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# Partner of choice

## New brands secured this year



## Developing and growing existing relationships



# Transforming eFulfilment productivity and accuracy for Neal's Yard Remedies

*“We are delighted to be expanding our partnership with Wincanton, and we are looking forward to this new phase of our relationship to help support our UK and international growth.”*

Stephen Tobitt  
CEO, Neal's Yard Remedies



NEAL'S YARD REMEDIES



# Automation and software enabling agility and scale



## Rockingham

### Fixed automation

- High volume
- Very efficient/highly productive
- Developed shared user capability
- Dense storage

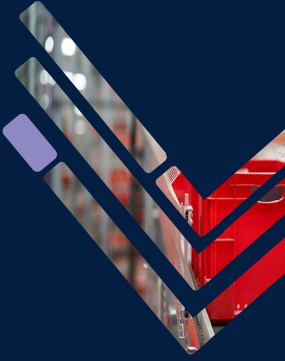


## Cygnia

### Modular automation

- Fast, agile deployment
- Scalable to support customer growth
- Bespoke solutions - brand differentiation
- Mezzanine floors

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*Thinking like a  
retailer*

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THE WHITE COMPANY  
LONDON



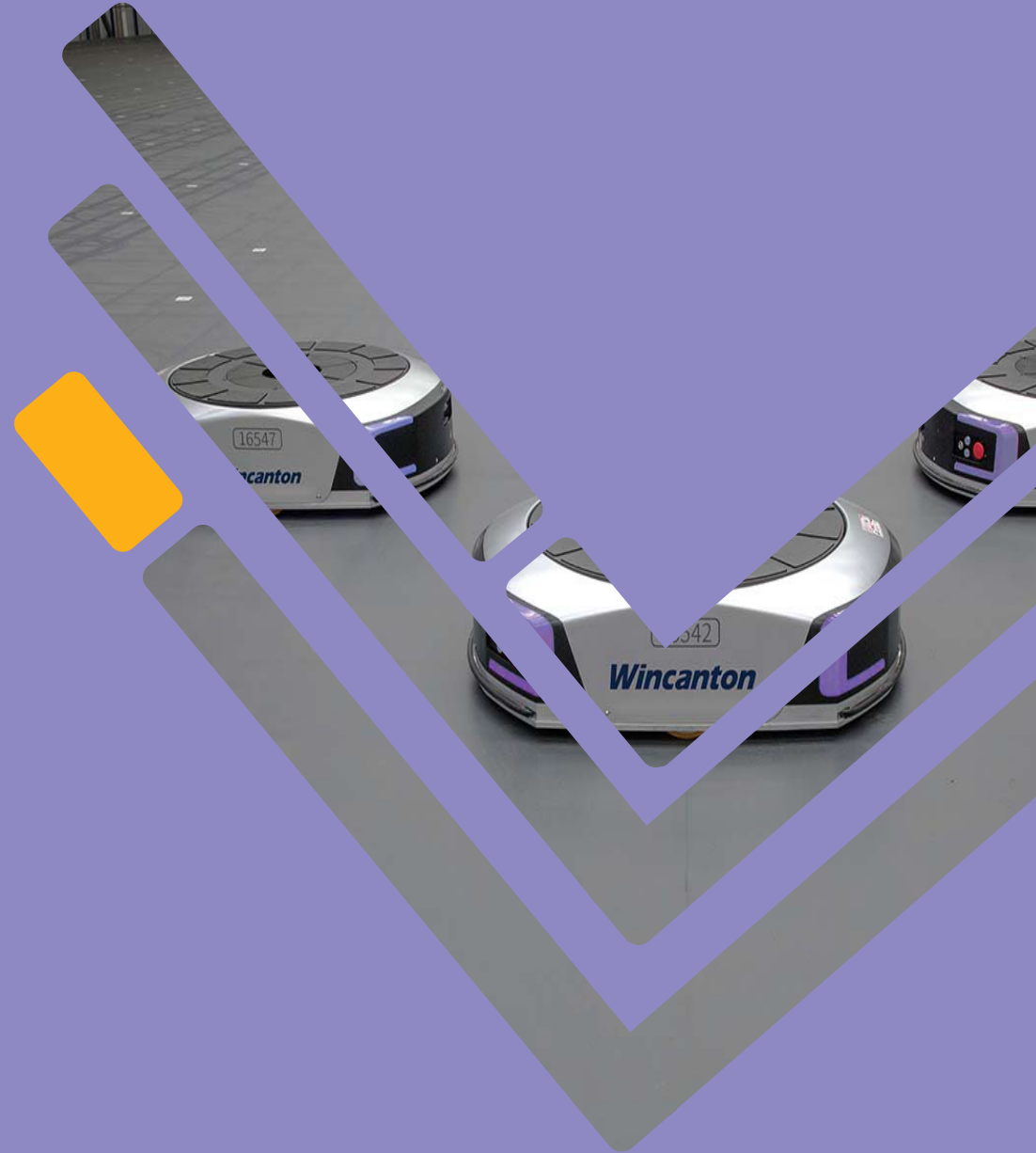
# Supporting growth potential



- | **27%** of total retail sales in UK are eCommerce
- | **11%** CAGR growth in eCommerce expected to 2025
- | **87%** internet shopping penetration in the UK
- | **64%** of retail sales are in fashion sector

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## ***Welcome to Cygnia***







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# Acquisition of Cygnia



Spirit of  
innovation and  
flexibility



Skills in  
eFulfilment and  
eCommerce



Strong customer  
base

We're  
trusted by

arbonne.

BOUCLÈME



FEELUNIQUE



kao

MOLTON  
BROWN  
LONDON



moonpig

LAKELAND

POSITEC

HUDA BEAUTY

Soak&Sleep

T2





# eCommerce retailers' partner of choice



Retail experience and knowledge



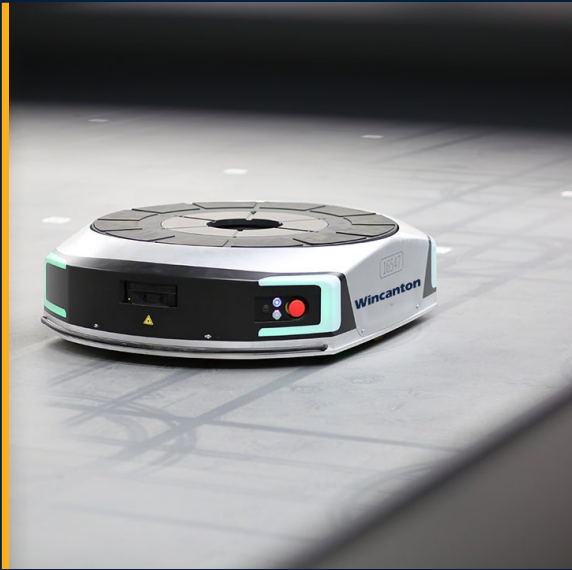
Agility and flexibility



Innovative



Growth enabling, long term partnerships



Why are  
businesses  
continuing to  
choose us?



New customers and  
propositions

**nkuku**  
HOME AND LIFESTYLE

  
NEAL'S YARD REMEDIES

**naked**wines



MOLTON  
BROWN  
LONDON



# Wincanton's value creation drivers





A broad business model



Investing in technology



Capitalising on growth opportunities



Strategic investments underpin offer

# The supply chain partner for British business

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***Thank you, have a  
safe journey home***

