

The lifeline of our business

If the right products don't get to the right stores on time, all the hard work across the upstream supply chain is wasted and stores are not able to trade.

Pepkor Logistics manages the collection and delivery of parcels packed to order for stores between 10 distribution centres, into three main hubs or directly to secondary hubs and stores. The process is simple, with the product journey captured by a barcode.

The barcode contains information about the parcel contents, the destination hub and store number or (in the case of furniture, appliances and building materials) the order and delivery information.

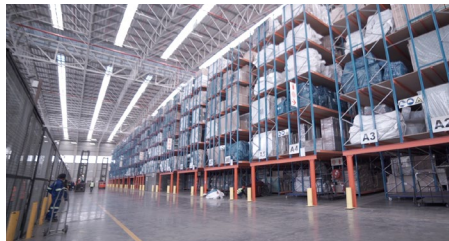
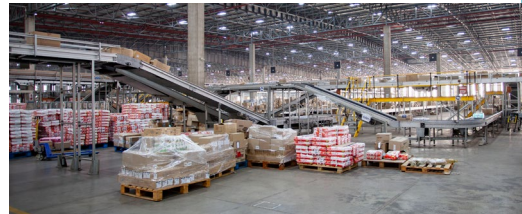
Behind the scenes, the logistics team focuses on ensuring a cost-effective, reliable and sustainable delivery network for customers. Everything we do in our supply chain is aimed at optimisation, improving efficiencies and saving time, money and resources.

Through tracking the barcode and recording and analysing its associated data, we have built up a wealth of business intelligence that allows us to improve:

- network and scenario analysis;
- network optimisation and route planning;
- the order and parcel track-and-trace system – linked to customers' orders and product journey; and
- delivery management through integrated software systems.



Above and right: Throughout the logistics hubs (servicing PEP, Speciality and Ackermans) 31 969 metres of conveyors are in place to move, sort and allocate packed boxes to reach the correct store location. From arrival to dispatch, products are moved within three days.



Left: JD Group consolidated loads from 16 distribution centres with 184 vehicles to one of approximately 70 cross docks located close to market, from where deliveries are done by our 35 privately owned partners with approximately 250 smaller vehicles.



Bottom: The Building Company does deliveries to homes and contract sites.

INPUTS → **OUTPUTS** →

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| <ul style="list-style-type: none"> • Investment in innovation and technology • Intellectual property, skill and experience • Retail and supply chain experience • Continuously reviewing, adapting and improving processes • Synergies across brands and businesses • Expansive (and shared) footprint | <ul style="list-style-type: none"> • Best price leadership • Efficient and effective supply chain management • Supplier development • Accessibility to products • Managed environmental footprint |
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> 3 800
STORE DELIVERIES

24 million
BOXES DISTRIBUTED ANNUALLY

24 million km
DISTRIBUTION NETWORK