

DIGITALIZATION

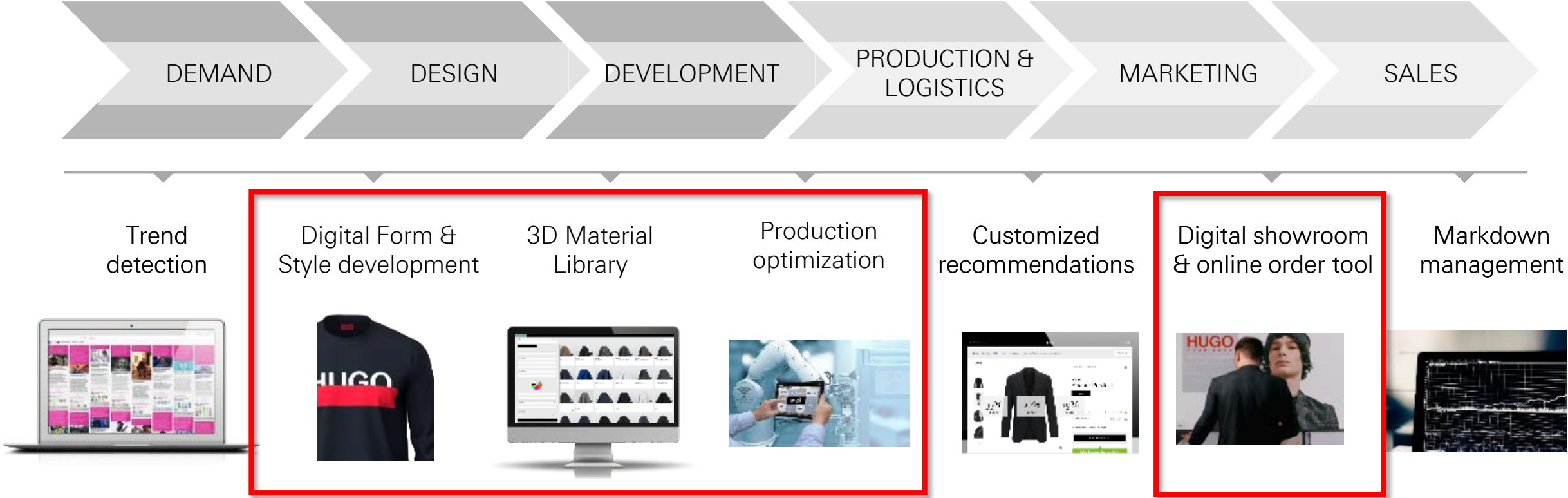


OUR MISSION

LEVERAGE THE OPPORTUNITIES OF
DIGITAL WITH SOLUTIONS THAT
ARE RADICALLY **INNOVATIVE** OR
EXTREMELY **EFFICIENT**

DIGITAL FASHION VALUE CHAIN

OPERATIONS ACHIEVEMENTS TO DATE



OPERATIONS DIGITALIZATION

STRATEGIC FOCUS AREAS



- Increase digital creation **across all MPGs to close gaps**
- Centralize, structure and ramp up **3D asset libraries** (raw material, form and style)



- **Launch and connect Collaboration Environment:**
 - DMIX (for raw materials)
 - PLM (master data & reporting)
 - CLO-Set (design & dev. interaction)
- Digital **raw materials order management**



- Launch **digital quality management tool QI 2.0** – accessible for suppliers & HB
- Research use near-time quality monitoring features



ROBOTIC PROCESS AUTOMATION

RPA


robotic process automation



Eliminating repetitive and
mundane tasks
– one process at a time –


RAW MATERIAL DIGITALIZATION

OUR TARGET AMBITION & STATUS QUO



OUR TARGET AMBITION

3D assets and master data for all fabrics and trimmings are available until Q2 / 2022



CURRENT STATUS

100 % of the **sampled** SR 21 Clothing Menswear fabrics and trimmings were available for the Digital Showroom.
40% were sent from our suppliers via DMIx Cloud.



RAW MATERIAL DIGITALIZATION

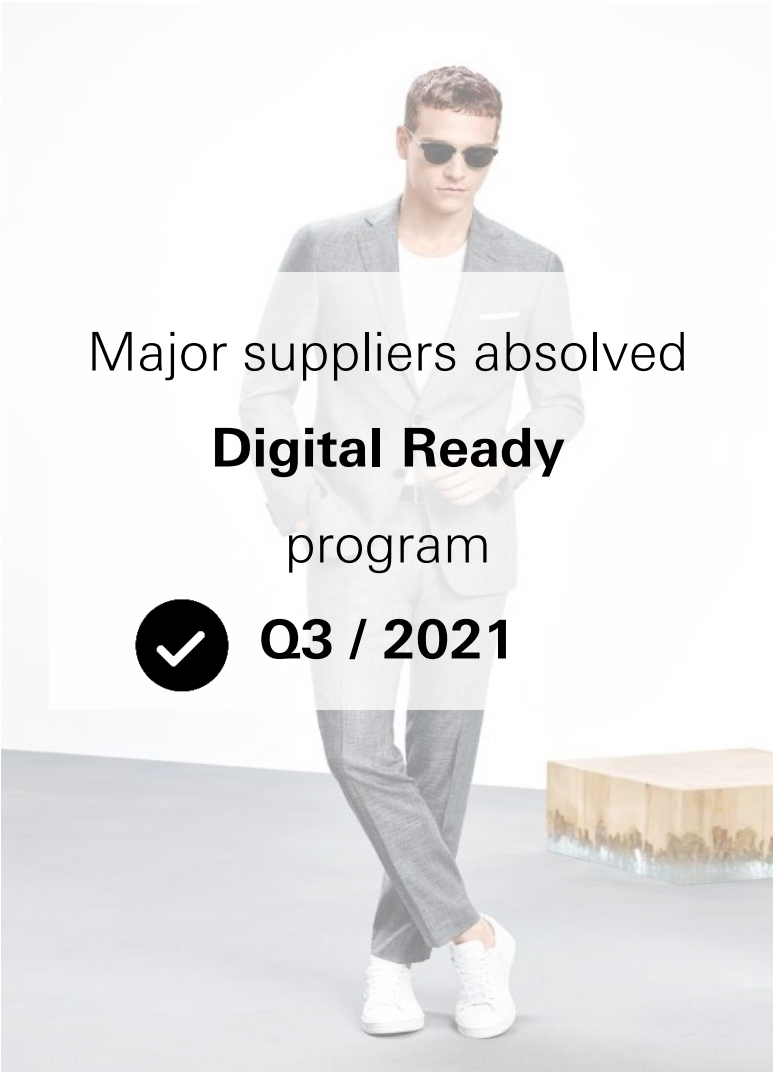
NEXT STEPS



Major suppliers are onboarded to the

DMIX Cloud

✓ Q2 / 2021



Major suppliers absolved

Digital Ready

program

✓ Q3 / 2021



70% of the **Fabric Collections** are

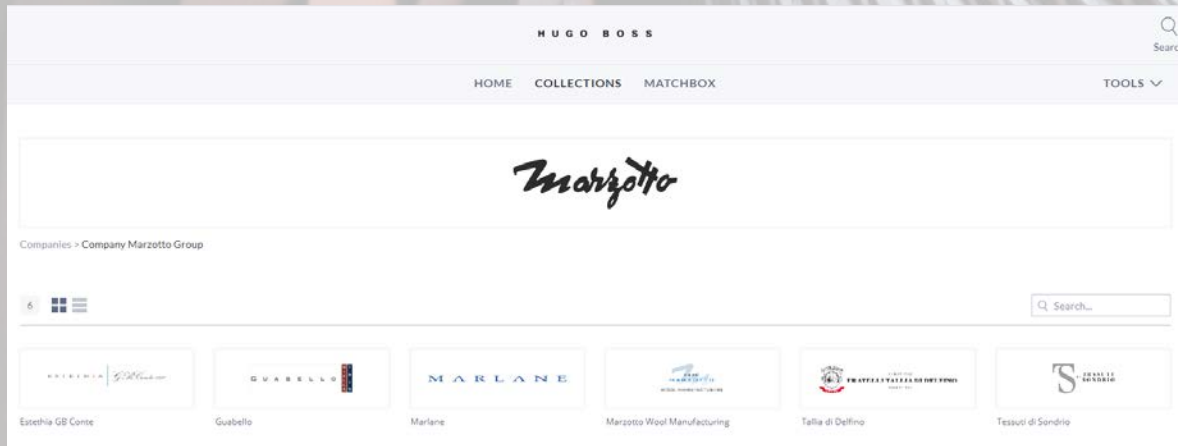
digitally available

✓ Q4 / 2021

RAW MATERIAL DIGITALIZATION BEST PRACTICE

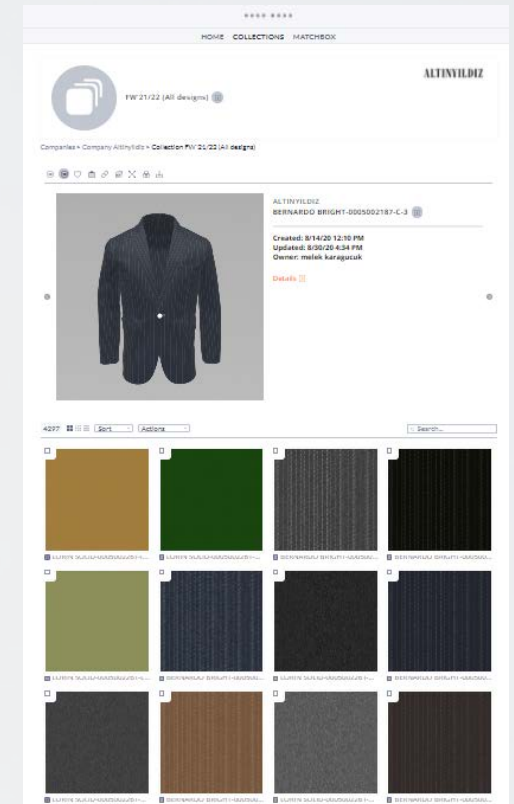
Marzotto Group

- Marzotto Group actually **offers all materials sampled by HUGO BOSS digital via DMIx Cloud** since SR21.
- All items are “digitally woven” including texture maps via Penelope **without physical scans**.
- Upcoming target: **50% of the entire collections** of the Marzotto Group digital in the DMIx Cloud **until July 2021**



Further steps forward

- **Altinyildiz** has uploaded their FW 21 collection with more than **4.000 fabrics** using Penelope



DESIGN & DEVELOPMENT DIGITALIZATION

OUR TARGET AMBITION & STATUS QUO



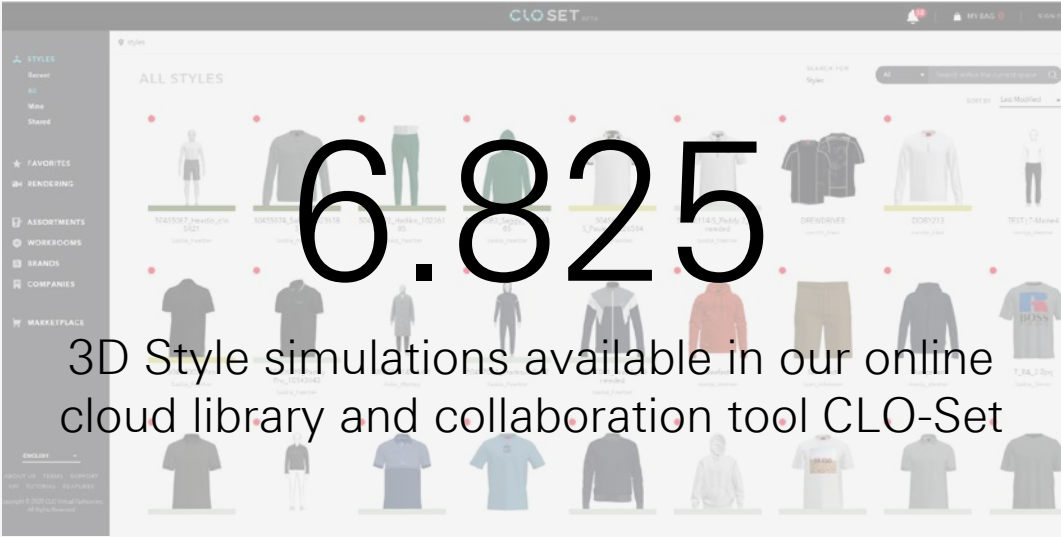
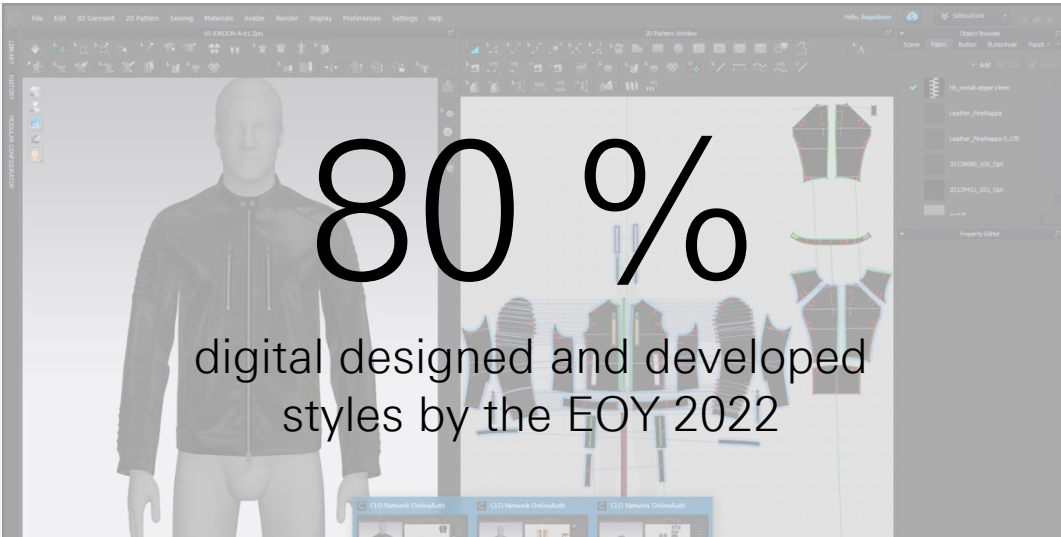
OUR TARGET AMBITION

By the EOY 2022 we will design and develop **80 %** of our styles digitally and will have a Digital Showroom availability of **99 %**



CURRENT STATUS

In **SR21 49 %** of our styles were developed either hybrid (with one physical prototype) or fully digital



DESIGN & DEVELOPMENT DIGITALIZATION NEXT STEPS



Roll-Out and scaling of
CLO-Set, our design and
development collaboration
platform



Q1 / 2021



All strategic suppliers will
be on-boarded as
3D Co-Creation partners



Q1 /2021



ALL employees in design
and development roles are
trained in 3D Software



Q2 /2021