

H U G O B O S S

Investor Day 2016 – Agenda

- | | |
|---------------------------------|--|
| ▶ Group Strategy | Mark Langer (CEO) |
| ▶ Brand Strategy | Ingo Wilts (CBO) |
| ▶ Sales & Distribution Strategy | Bernd Hake (CSO) |
| ▶ Digital Strategy | Richard Lloyd-Williams (Director) |
| ▶ UK Market Update | Stephan Born (MD) |
| ▶ US Market Update | Anthony Lucia (MD) |
| ▶ China Market Update | Marc le Mat (MD) |
| ▶ Wrap-Up & Outlook | Mark Langer (CEO) |



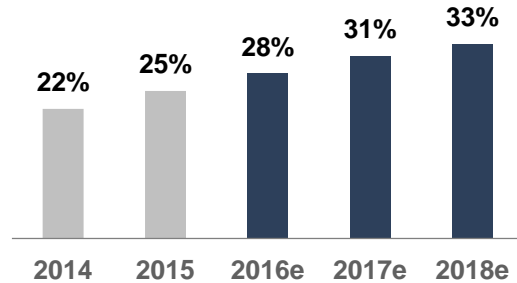
Digital Strategy

Richard Lloyd-Williams

Director Digital Transformation

The world is increasingly digital – changing the way we live, work and shop

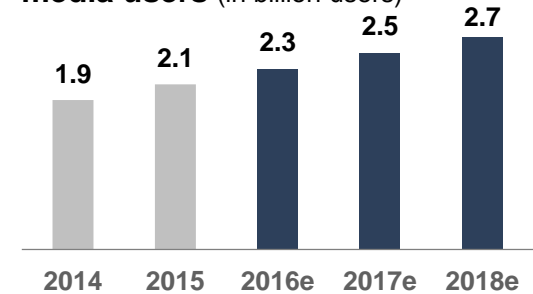
Increasing smartphone penetration
(in % of world population)



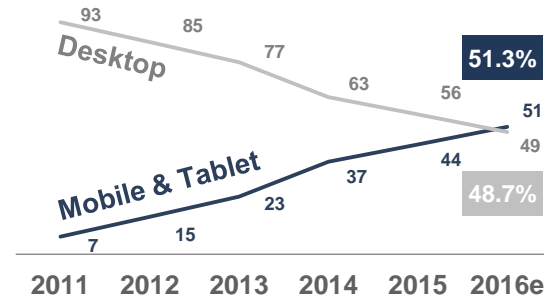
Shift to mobile traffic



Growing number of social media users (in billion users)

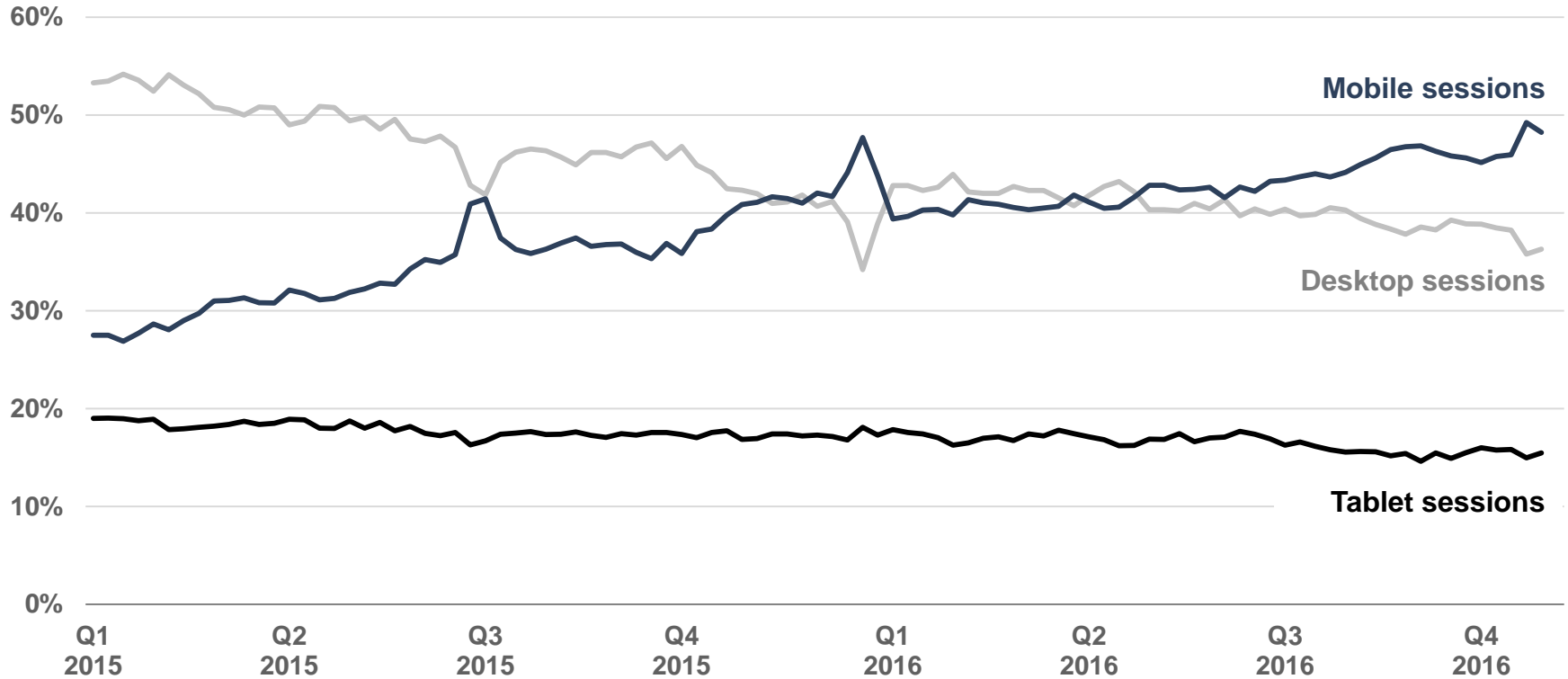


Internet usage by device (in %)



Source: StatCounter; Statista
Investor Day 2016 – Digital Strategy

This is reflected in our own experience at HUGO BOSS



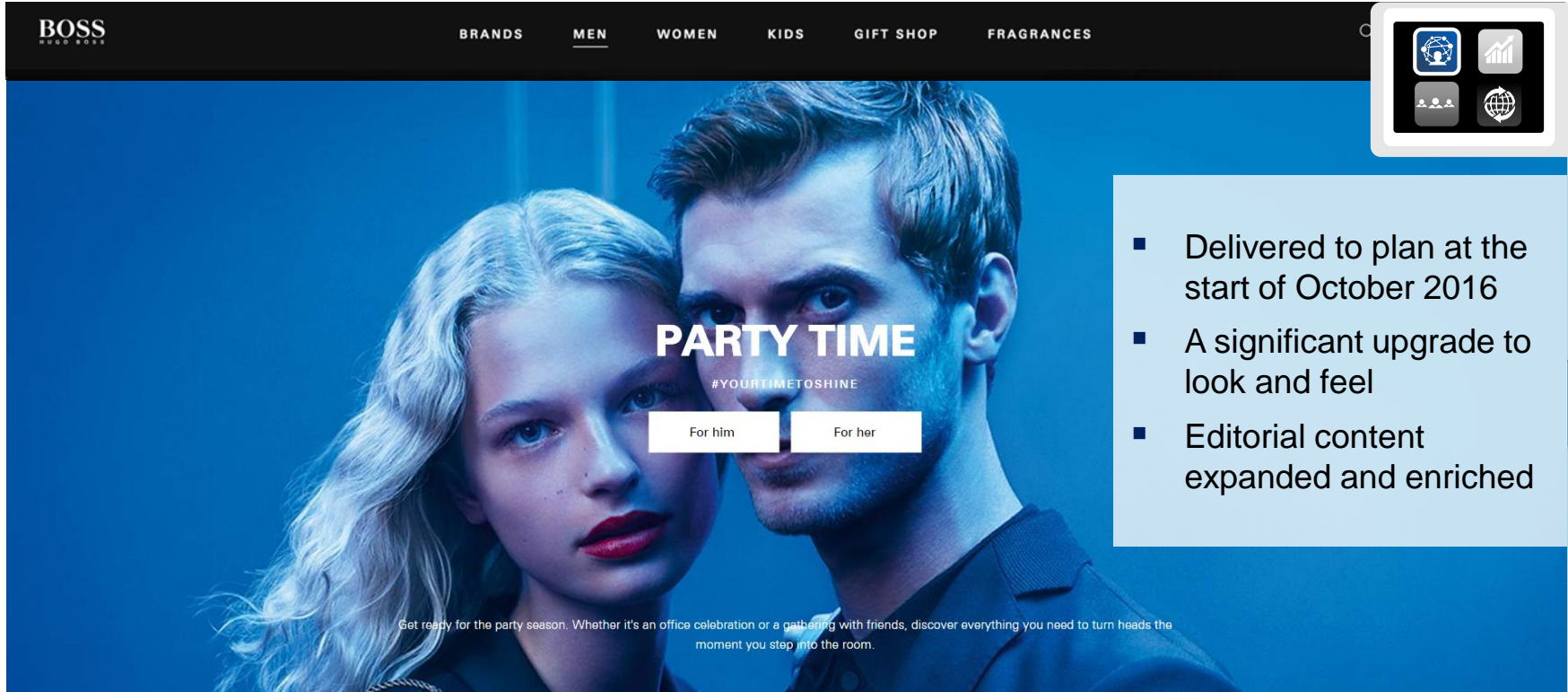


What is Digital Transformation at HUGO BOSS?

Digital Transformation is based on four different elements



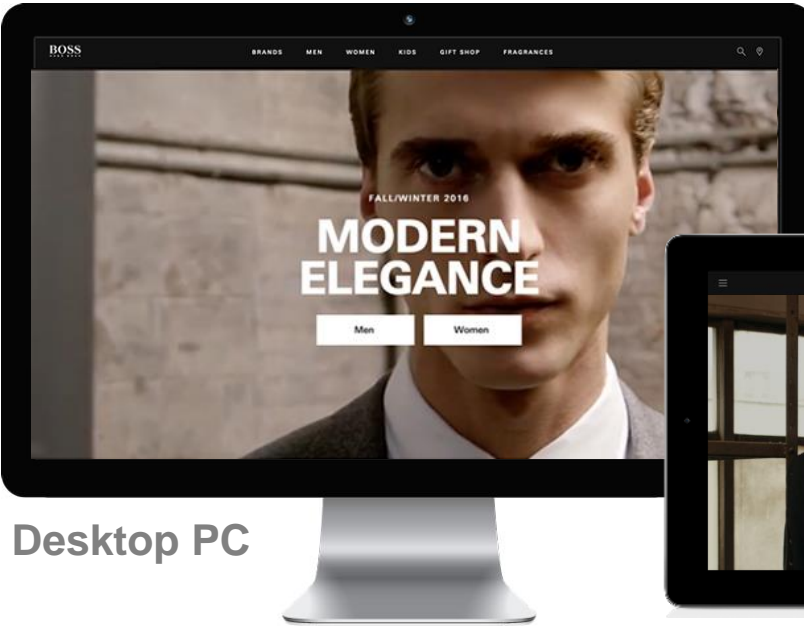
hugoboss.com redesign is a key step towards improving the customer experience



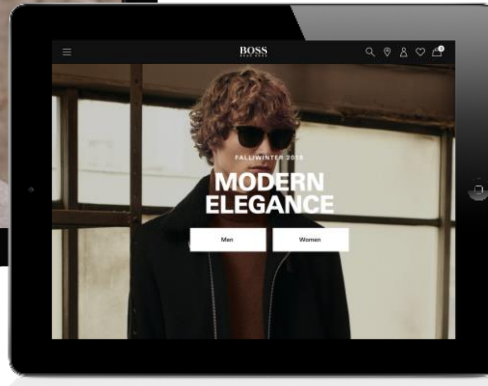
The screenshot shows the Hugo Boss website redesign. The top navigation bar is dark with the BOSS HUGO BOSS logo on the left and links for BRANDS, MEN (underlined), WOMEN, KIDS, GIFT SHOP, and FRAGRANCES on the right. A mobile menu icon is visible on the far right. The main content area features a large image of a young couple in a blue-tinted setting. Overlaid on the image is the text "PARTY TIME" in large white letters, followed by the hashtag "#YOURLIMETOSHINE" in smaller white letters. Below this, there are two white buttons: "For him" and "For her". At the bottom of the image, a line of small white text reads: "Get ready for the party season. Whether it's an office celebration or a gathering with friends, discover everything you need to turn heads the moment you step into the room." On the right side of the image, there is a light blue box containing a bulleted list of three items.

- Delivered to plan at the start of October 2016
- A significant upgrade to look and feel
- Editorial content expanded and enriched

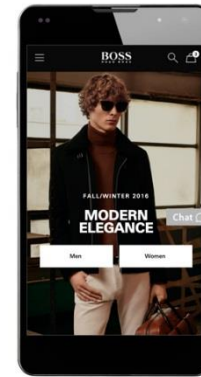
hugoboss.com is now fully responsive across devices



Desktop PC



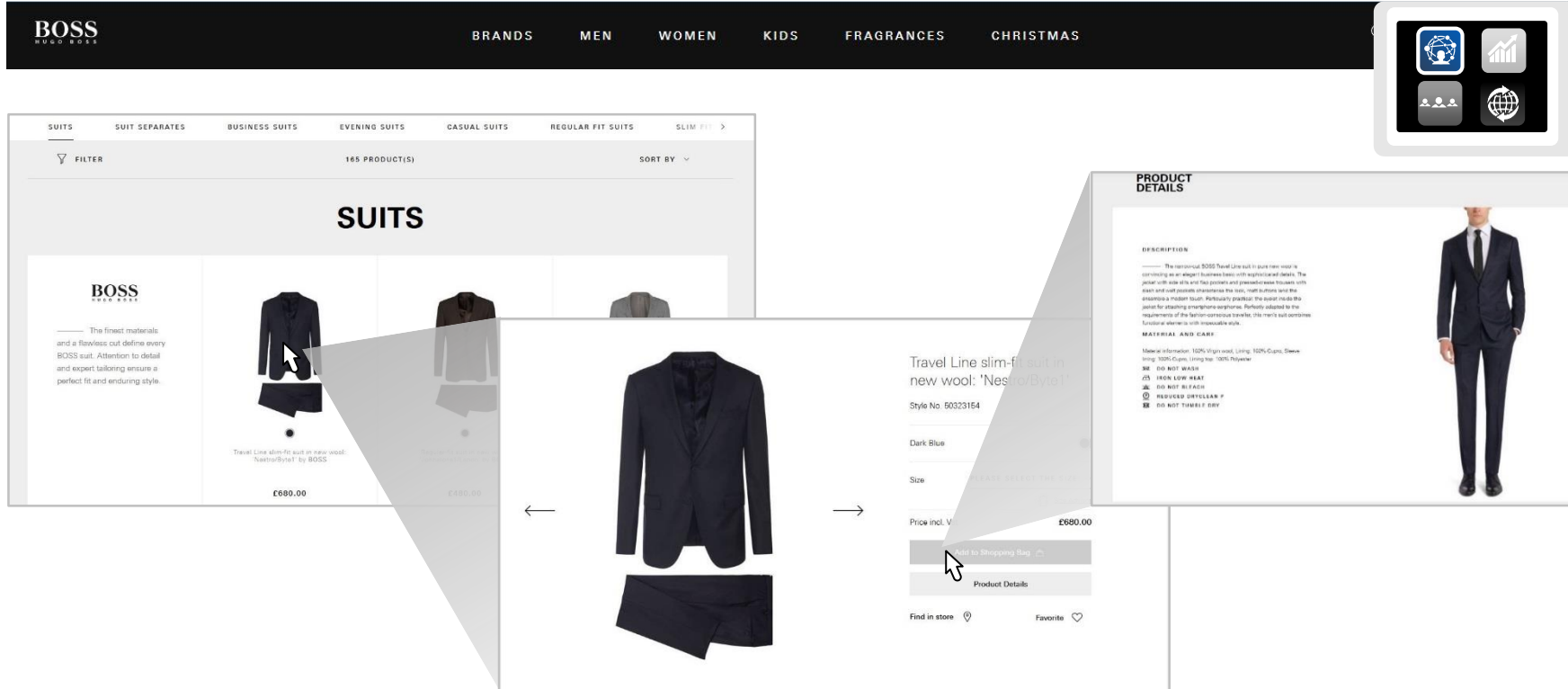
Tablet



Mobile



Upgrade of product presentation reflects rising customer expectations



Expansion of editorial content supports customer engagement

BRANDS MEN WOMEN KIDS FRAGRANCES CHRISTMAS

THE ART OF TAILORING

Tradition meets innovation

BOSS suits are renowned for their impeccable fit and enduring style. We choose the finest fabrics and combine them with design expertise to produce the perfect fusion of tailoring excellence and modern flair.

Tailored leather lace-up shoes with a textured texture "Tradition meets innovation" by BOSS

£550.00

Tailored lace-up shoes in leather "Tradition meets innovation" by BOSS

£450.00

Dress code: shoes worth investing in

Which shoes should any well-dressed gent have in his closet? The following eight pairs will ensure you're clearly shod for any occasion.

Read more →

Dressed for success

Meet the inspiring businesswomen around the world wearing the BOSS Fundamentals collection - and discover the stories behind their careers and how they got where they are today.

SHAUNEEN LAMBE

Founder and executive director of Just For Kids Law

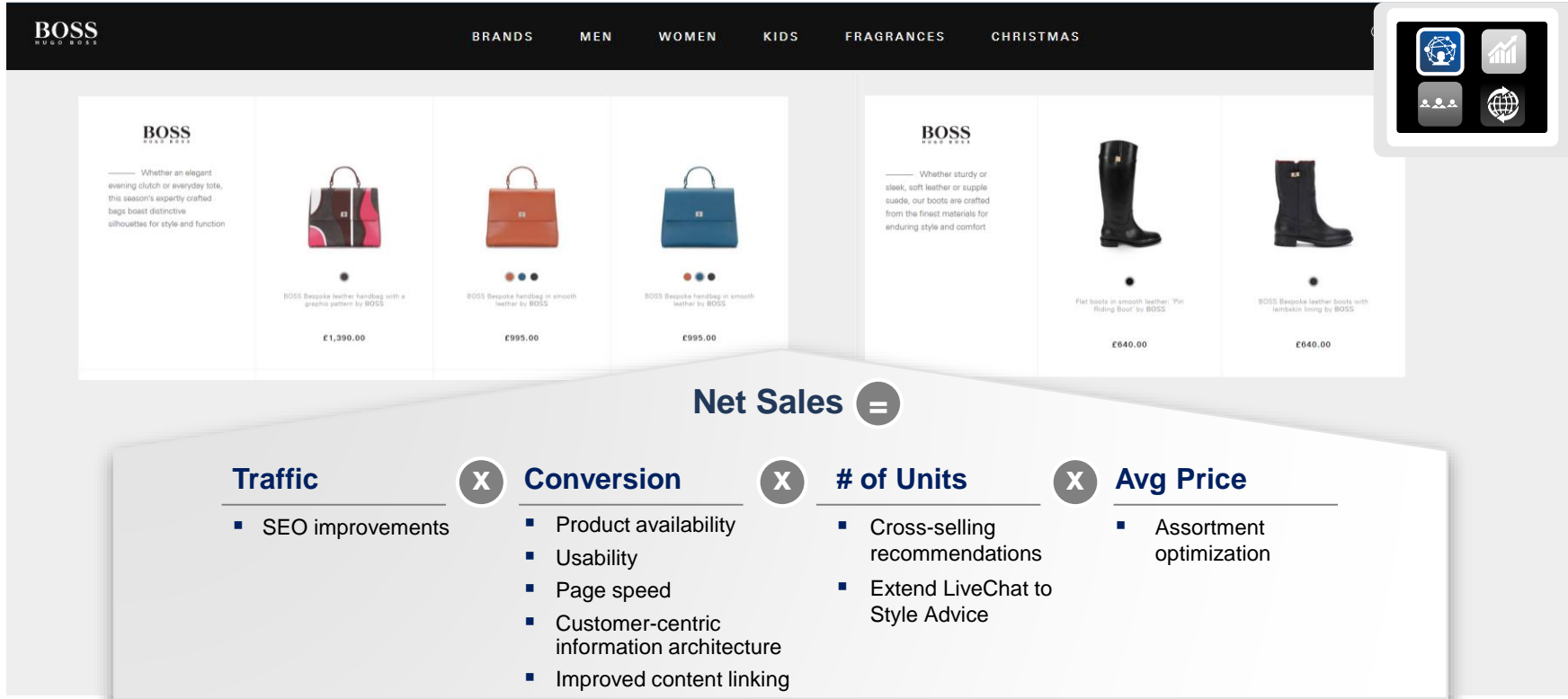
Read article →

ROSEY CHAN

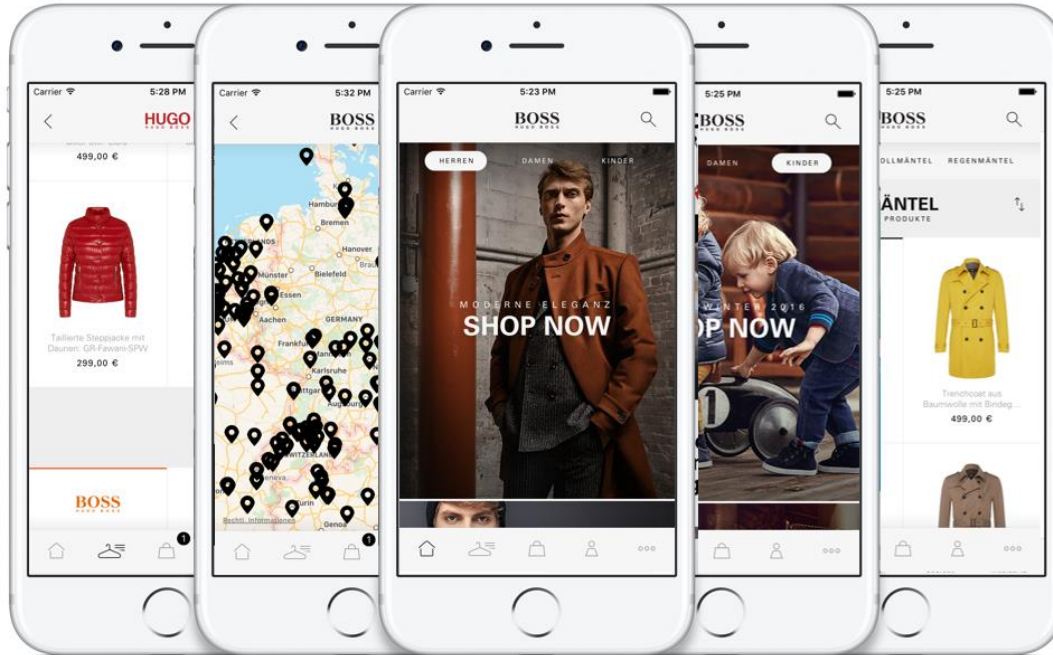
Innovative musician and composer

Read article →

2017 will be about the commercial optimization of our website





HUGO BOSS iOS App launched in Europe in October



- Includes commerce function but also store locator and Find in Store functionality
- US launch in December will add ApplePay
- Additional features for 2017 to include upgraded content and search, click & collect, live chat and order tracking

Customer service options extended to also include social media

BRANDSNEW ARRIVALSMENWOMENHOLIDAYFRAGRANCES




CUSTOMER SERVICE

HELP

▼CUSTOMER SERVICE


Online Store Customer Service

HUGO BOSS Customer Service







Online Store Customer Service

If you have any further questions, our Customer Service center will be happy to assist you 24 hours a day, 7 days a week at 1-800-HUGOBOSS (1-800-484-6267). Or e-mail us at customerservice@hugoboss-store.com



Leave a message

Future options will also include



HUGO BOSS iOS App launch an early example of challenging existing processes



Principles used successfully for the iOS App launch:

- Strict focus on delivering minimum viable product
- More effective internal communication
- Clear ownership and high levels of autonomy

Digital Transformation is Cultural Transformation



Risk Avoidance
Decision-Making Complexity
Aiming for the 100% solution
Lack of Transparency / Silos

Embracing Change
Clear & Empowered Ownership
Early Delivery of Customer Value
Effective Collaboration

Digitizing the Group's business model drives efficiencies and customer value



Evolution of IT strategy a key enabler of Digital Transformation



- **SAP ERP system a solid foundation to build on**
- **Existing focus on quality and stability to be balanced with flexibility and speed**
- **Now adapting the Group's IT strategy to support the Transformation**

Key messages



Cultural

Digital Transformation
is Cultural
Transformation

Incremental

There is no silver bullet – Digital
Transformation is a series of steps,
each delivering incremental value

Commercial

With the foundations in place
we will now optimize for
commercial success

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