

Introduction to Deliveroo

Our story so far

After moving from New York to London our CEO and co-founder, Will Shu, was surprised to find that it was nearly impossible to get great quality food delivered. So he made it his personal mission to bring great restaurants closer to their customers. Deliveroo was subsequently launched in February 2013 in London by Will and his childhood friend and Co-Founder, Greg Orlowski. Our motto is 'proper food, proper delivery'.

Headquartered in London, Deliveroo is a British start-up success story which directly employs over 300 people. In London, we work with over 2,000 delivery cyclists and drivers. We have secured around \$200 million of funding – this is helping us grow at home and internationally. The funding will also be used to improve our technology for our restaurant partners and drivers. Many of the best restaurants in the UK and abroad are already part of our growing restaurant partner network.

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Our mission, ethos and what sets us apart

Current online takeaway food options and delivery experiences are sub-par. Customer choice is limited to restaurants that already provide a takeaway service, which tend to be on the lower end of the scale. Our mission is to bring the world's best local restaurants to everyone's home or office.

Deliveroo is transforming the way people think about food delivery by offering fast, transparent and reliable delivery from premium restaurants. We bring people high-quality local cuisine from the places that our customers know and love. Quality, convenience and transparency are at the forefront of what we do.

The vast majority of those who sign up to our service use it more than once, and in 2015 daily orders grew exponentially. We deliver orders in 32 minutes on average, and provide the fastest, easiest way to order great food. Our customer service support is unrivalled and our customers are at the heart of everything that we do.

We limit the delivery radius as we want people to order from their best local restaurants, and we want to maintain the highest possible food quality. We accept nothing less than the highest standards in the quality of the food that we deliver, and in the manner in which it is delivered. We pride ourselves on the hyperlocal nature of our business and see ourselves as part of all the communities in which we operate. Deliveroo brings the high-street to the home, supports the growth of local independent restaurants, and helps to expand the village feel of local communities.

Deliveroo is a socially responsible company and operates an environmentally friendly delivery fleet of bicycles and scooters. This helps to reduce congestion and pollution when compared to cars and other delivery vehicles. Deliveroo believes that other services should follow its lead, and that regulators should encourage the use of environmentally friendly vehicles for on-demand delivery. Separately, Deliveroo is cooperating with local European authorities such as Transport for London to establish road and cycle safety initiatives, protecting our drivers and other road users.

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Our current locations

We want to make Deliveroo available around the world so that everyone can enjoy the best local restaurants whether they are at home or at work - and the company is expanding rapidly.

Current UK + IE Cities: London; Manchester; Birmingham; Edinburgh; Bristol; Brighton; Oxford; Cambridge; Reading; Guildford; Liverpool; Leeds; Nottingham; Southampton; Cheltenham; Leicester; Cardiff; Sheffield; Exeter; Bath; Aberdeen; Chester; Glasgow; Bournemouth; Derby; Newcastle; Coventry; York; Norwich; Dublin; Cork; Galway

Current EU Cities: Paris; Lyon; Lille; Bordeaux; Nantes; Milan; Brussels; Madrid; Barcelona; Amsterdam; Berlin; Haarlem; Hamburg; Munich; Dusseldorf; Cologne; Frankfurt

Current International Cities: Sydney; Melbourne; Hong Kong; Singapore; Dubai

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How our restaurant partners benefit

We enjoy a close and collaborative working relationship with all of our restaurant partners. We adopt a hyperlocal approach and give restaurants everything they need to provide a food delivery service, from drivers to a logistics platform. The incremental benefits for restaurants of working with us are considerable as we help them to:

- **Secure new customers** who not only order food at home via Deliveroo, but who will also eat in at their restaurants at a later date.
- **Sweat their assets more effectively.** Our platform drives demand at times of the week when restaurants are often less busy (Sundays in particular). This not only boosts restaurant growth and increases revenue by around 30%, it also ensures that the resources of restaurants are utilised more productively right across the week. As a result, restaurants are able to provide more employment opportunities and shifts to existing workers.
- **Remove the burden of delivery logistics**, and handle the payment process between restaurant and customer. The overheads and risks of delivering food are high, especially for smaller restaurants. We take care of the delivery process and let the restaurants focus on what they do best – cook great food.
- **Market their business** both offline and digitally, via social media campaigns and other avenues.

The relationship with our restaurant partners is fundamental to our business. Without them we cannot grow, and without us they are less competitive in an already crowded marketplace.

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How our delivery drivers benefit

Our drivers are very important to our business. We therefore do everything we can to ensure that we have a mutually beneficial relationship. The benefits of being a Deliveroo driver are numerous:

- **Flexible working** – drivers choose when to work and can take time off whenever they want.
- **Competitive and fair pay** – drivers enjoy a competitive level of basic pay per hour - irrespective of how busy it is - as well as a bonus per delivery made, and fuel costs. They keep 100% of their tips.
- **Incentives** – we regularly receive positive customer feedback about drivers and we reward them accordingly.
- **Rapid onboarding** – those interested in working with us can be onboarded in a matter of days once they provide us with the required documentation, pass a background check and are deemed ready for the road.
- **Being part of the Deliveroo community** – our drivers are invited to company activities and social events.

Our drivers deliver food either by scooter or by bicycle. All scooter drivers must have a clean UK or EU driver's license and hold valid insurance. All motor delivery vehicles must be roadworthy and covered by a current MOT certificate and a tax disc.

Deliveroo would like to see research conducted about the introduction of a new 'third way' of employment classification, prompted by the rise of freelance workers. Deliveroo drivers enjoy the flexibility of freelance work and do not wish to be classified as employees with fixed hours. However, their status as contractors means that there are limits to the areas in which Deliveroo can invest in them. Deliveroo already provides safety equipment such as cycle lights and protective jackets, the safety of which is constantly being reviewed (most recently in consultation with Brake, a UK road safety charity). However, Deliveroo is always looking to do more for its drivers. A new category of employment classification would allow Deliveroo to extend further protection to its drivers, while maintaining its business model and the flexibility that drivers desire.

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Appendix 1

Deliveroo, the on-demand delivery service for high-quality restaurant food

About

Deliveroo's on a mission to transform the way the world thinks about takeaway.

The company was founded in 2013 because co-founder, Will Shu, was fed up with London's poor quality and slow food delivery options. Will and his friend Greg Orlowski set to work to build something better.

They brought technology together with the world's best-loved restaurants to get high-quality restaurant food to customers fast. In an average of 32 minutes, Deliveroo's riders - self-employed cyclists and motorcyclists - bring the likes of Busaba Eathai, Carluccio's, Gourmet Burger Kitchen, and MEATliquor to customers' homes and offices.

The model is great for everyone: customers get high-quality food delivered to them quickly; restaurants that don't typically offer takeaway can increase revenues by 30% or more; and riders enjoy flexible, well-paid work.

Little wonder it's proven so popular. Now in over 50 cities across the world and armed with \$200m worth of investment from the likes of Accel and Index Ventures, Deliveroo is growing at phenomenal speed.

Founding story

In his former life, Deliveroo co-founder and CEO Will Shu was an investment banker. He moved from New York to London and was based in Canary Wharf, working long hours and regularly eating in the office. He quickly realised that London lacked the same food delivery culture as New York, and that food delivery choices were limited and often unhealthy – not at all representative of London's excellent range of high-quality restaurants. This sparked the idea for developing a better delivery experience focused on the best restaurant food.

Together with his friend Greg Orlowski, Will set about bringing a totally new delivery experience to London, launching Deliveroo in 2013.

Cities

Deliveroo operates in 13 countries and 54 cities.

This includes -

UK: London; Manchester; Birmingham; Edinburgh; Bristol; Brighton; Oxford; Cambridge; Reading; Guildford; Liverpool; Leeds; Nottingham; Southampton; Cheltenham; Leicester; Cardiff; Sheffield; Exeter; Bath; Aberdeen; Chester; Glasgow; Bournemouth; Derby; Newcastle; Coventry; York; Norwich

Ireland: Dublin; Cork; Galway

Other EU Cities - Paris; Lyon; Lille; Bordeaux; Nantes; Milan; Brussels; Madrid; Barcelona; Amsterdam; Haarlem; Berlin; Hamburg; Munich; Dusseldorf; Cologne; Frankfurt
Rest of the World - Sydney; Melbourne; Hong Kong; Singapore; Dubai

Growth story

Since Deliveroo launched its service in London's Chelsea with two restaurants in 2013, the company has experienced significant growth and rapid international expansion.

Deliveroo launched in Brighton, its first city outside London, in late 2014. In 2015, the company has taken the service to an additional 30 cities in the UK and Ireland and more cities across Europe, Asia, Australia and the Middle East.

Deliveroo is now available in over 50 cities worldwide with over 6,000 restaurants delivering through its platform.

Investment history

Deliveroo has raised a total of \$200m to date, including:

- Series A \$4.5m in June 2014 led by JamJar Investment with participation from Index Ventures and Hoxton Ventures
- Series B, \$25m in January 2015 led by Accel with participation from Index Ventures, Hoxton Ventures and Hummingbird Ventures
- Series C, \$70m in July 2015 led by Greenoaks Capital and Index Ventures with participation from Accel and Hoxton Ventures
- Series D, \$100m in November 2015 led by DST Global and Greenoaks Capital with participation from Accel and Hummingbird Ventures.

Founders' backgrounds

Will Shu

Will is genuinely obsessed with food delivery, and he co-founded Deliveroo in August 2013 with Greg Orlowski. While running the London-based company takes up most of his time, Will still enjoys regularly delivering food orders on his bike.

Will previously worked in finance as an analyst for SAC Capital and ESO Capital, and as an investment banker at Morgan Stanley in New York and London. He received an MBA from Wharton (2012) and BA from Northwestern (2001).

Greg Orlowski

Greg Orlowski co-founded Deliveroo in August 2013 with Will Shu and serves as CTO of the company, running software development.

He previously worked as a Software Architect and Developer for The Education Development Center and as Director of Technology at Objective Arts in Chicago.

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Appendix 2

Case study: Restaurant partner Fadi Chafi (Area Manager, Maroush Group)

Maroush Group, with its 16 London restaurants, has been offering the quintessential Lebanese dining experience to Londoners and visitors alike for over 32 years.

“With Deliveroo, the problem of delivering food at peak times does not exist, as customers will get our great quality food delivered on time. I loved the concept and just went for it. Deliveroo also puts a lot of emphasis on its image and marketing which I appreciate.

The biggest benefits of our partnership with Deliveroo are: fast delivery and customer satisfaction; better marketing and exposure; and extra income and higher sales. Our partnership helps us to drive business at times when we are typically less busy.

In terms of the number of people eating in our restaurants since partnering with Deliveroo, I believe if anything that the numbers might have increased! The uplift in revenues since partnering vary from area to area but there has certainly been growth, and in some cases very good uplift.

The process is efficient. The order comes in, and our waiting staff check and print the order. The order is then sent to the kitchen. Around 5-7 minutes before the order is ready, the Deliveroo driver is notified. The order is then marked, the driver checks the food and collects it. I would definitely recommend other restaurants partnering with Deliveroo as my experience has been that they are very professional.”

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Appendix 3

Case study: Deliveroo driver

Robert Prendaglia has been a Deliveroo driver for four months. He delivers in the Mayfair, Marylebone and Soho area of London on a bicycle.

Why did you decide to become a Deliveroo driver?

“I’m a student and was working in a cinema before. I was getting the ‘boxed in’ feeling of working inside. I spoke to a driver about what it was like to work for Deliveroo and he recommended it. It seemed like exactly the sort of thing I’d like to do - being outside and cycling around. And that’s really why I signed up.”

What are the main benefits of working as a Deliveroo driver?

“The job has helped me to keep fit, and on a social level I’ve met plenty of cool and interesting people. You get familiar with restaurant staff as you’re seeing them on an almost daily basis. As a student, the flexibility of working with Deliveroo is also a big benefit as you can choose shifts to fit around your schedule. This is very liberating, as opposed to an employer telling you when to work.

One of the good things about Deliveroo is the pay scheme. Even if it’s a quiet day, you know that you can earn a set amount of pay, as you get money per shift as well as per delivery. Riders who leave to go and do other things or visit family abroad are welcomed back to the team. I have recommended it to friends as it is good money for the work you are doing.

What does your typical Deliveroo workday look like?

“Typically I work shifts of three hours, which is great and there’s always time between deliveries, or while waiting for food at a restaurant, to pick up a bottle of water or something.

The nearest available driver to the restaurant gets assigned the order. The order comes through as a message, and if you don’t know where it is you can click through to a GPS screen so you can navigate there easily. Once you get to the restaurant, it’s exactly the same process. A message pops up with the delivery address and off you go. We all have phone cases attached to our handlebars, so it’s safe. After a few weeks working in your area you become pretty familiar and don’t need the GPS.

For every delivery we make, we get an email confirmation with all the details so we can see what tips we have.”

How would you describe the culture of the company?

“It’s a fun place to be. There’s a good relationship between the riders and Deliveroo. We are a close-knit community out on the street and we all look after each other. There’s a good feel to it and I am sure everyone here feels the same.”