



EDITED TRANSCRIPT

Dr. Martens Product teach-in webcast

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PRESENTATION

Kenny Wilson – *Dr. Martens – CEO*

Good afternoon everyone, and welcome to Camden. Also, welcome to those of you who are watching online. Our health and safety team have told me I've got to do a bit of housekeeping before we start. So, in the event of a fire alarm activating, please consider it as a real fire because we've got no tests planned for today. We'd ask you to use the stairs on the way out, which are just through the double doors there. Please do not use the lifts. Our fire evacuation point is directly outside our building. So, that's the health and safety briefing over.

Welcome to our product and brand teach-in. Today we're going to talk about the absolute core of our brand and as I've told you many times before, our strategy is all about icons and innovation, and that's about growing our most iconic product but also growing the brand beyond those icons. From a product perspective, everything you're going to hear about today emanates from this product - the most important product in the company's history, the 1460 boot. It was invented perfectly more than 60 years ago now, and as you're going to hear, it's still a best seller for us around the world. It is also instantly recognisable whether you see this product in New York, in Tokyo, or in Manchester.

So, what are we going to cover in the session this afternoon? Well, firstly, we're going to talk about how we grow our icons and how we keep those products fresh for the next generation of consumers. Then, secondly, we're going to talk about how Dr. Martens innovates, and we're going to walk through different levels of innovation, from a basic refresh through to a complete revolution of the product. Also, as an iconic brand, we'll talk to you about how our extensive archive inspires our future innovation. So, we look at the past to inspire our future.

The Dr. Martens brand was created, probably as many of you know, by three inventors: Maertens, Funk, and Griggs. And that spirit of invention and innovation is absolutely central to the company's future success and the team will talk about that this afternoon. And then, thirdly, we're going to talk about how we drive brand heat. There are many ways in which the company drives brand heat. We're going to focus specifically on two areas this afternoon. The first is we're going to talk about the importance of collaborations and how they create energy behind the business but also, how those collaborations are an incubator for future product success. And then, secondly, we're going to talk about the evolution of our marketing model and the evolution of our marketing organisation as we continue to scale the company.

So, you're not going to get a lot from me today. But who are you going to hear from? During my five years of Dr. Martens, we've been continually building the talent base of the company. At the end of the day, you want both a strong brand and a strong organisation. You're going to hear from new leaders who've been in the organisation for a short period of time, but you're also going to hear from people who've got many years of core Dr. Marten's experience, and that's the balance that we want. So, you're going to hear from Adam, our Chief Product Officer; Darren, our Creative Director; Tuze, who's Global Head of Sustainability; and last but not least, Meg, who's our Chief Marketing Officer.

In terms of where today fits into our DOCS strategy, we're going to be spending most of the time on C, which is

Consumer Connection and that's because we'll be focusing on product and on marketing. However, Tuze will also talk about sustainability, primarily through a product lens, but she's also going to talk about the importance of sustainability for our direct-to-consumer business as we grow and evolve. We know that sustainability is disproportionately important to both Dr. Marten's consumers and the people who work here at Dr. Martens.

Finally, for me, you've heard me talk many times before about our custodian mindset and long-term thinking, protecting and growing our core iconic product and our brand is central to the company's future success. Also, innovating and keeping our icons fresh is vitally important to keep them in great condition for the generations who will come after us. And that's probably a really perfect place to hand over to Adam who's going to talk about our product strategy and our approach to innovation.

Adam Meek – Dr. Martens – Chief Product Officer

Good afternoon, everyone. My name is Adam Meek, and I'm the Chief Product Officer here at Dr. Martens. I've been at the brilliant brand that is Docs for the last 18 months, but I've been in the footwear industry for over 16 years. Prior to joining Docs, I was General Manager of Footwear and Accessories at Canada Goose. Before that, Senior Vice President of Product at Sperry and I've also held roles as Director of Merchandising at Nike Sportswear and Global Head of Product and Merchandising at Lacoste.

The journey that I've been on from a work perspective and a brand perspective has given me the opportunity to live in different countries: Netherlands, the U.S., Canada, and of course, the U.K. And what this has given me is a really great understanding of different marketplaces, as well as different cultures and consumer behaviours.

And it's now a real pleasure to be at Dr. Martens. It's a brand that I've grown up with, and my first memories of Docs were at school, which feels like a bit of a long time ago now. But back in the day, myself and my friends were into bands like Nirvana, and our uniform at the time was a pair of 1460s, which we used to personalize using Tip-Ex. Again, showing my age maybe a little bit. I've grown up through the times wearing Dr. Martens, including at my wedding as well. What's so, special about this brand, in my opinion, is firstly, the iconic product. It's the way it looks. It's so different from anyone else out there. But also, it's the way it makes you feel when you put a pair on. It really kind of gives you confidence and makes you feel like you're part of something that's bigger than you. And that's really one of the reasons why I joined this brand, as well as what I believe is this big growth opportunity ahead of us.

So, as Kenny mentioned, today, I'm going to talk about our product strategy. I want to talk to you a little bit about the construct of the line, as well as how we're building a balanced portfolio to firstly give new wearing opportunities for our consumers, as well as bringing new consumers into the brand. And then, crucially, I'm going to bring to life our Icons and Innovation strategy. Firstly, I'm going to talk about how and also why we innovate. But secondly, how we methodically grow our icons and our key franchises to help drive long-term growth. It's through innovation that we keep the brand and product range fresh, keep front of mind for consumers, and importantly, this ensures that we continue to grow our iconic continuity product.

But first, I want to talk a little bit about our phenomenal teams. And over the years, the team has just done such an amazing job of creating and building products that stay true to the Dr. Marten's brand. In my first 18 months, I've spent time really trying to evolve the product structure to firstly help set us up for scale to achieve our ambition of £2billion of revenue, as well as focusing on growth and also development. So, from a team perspective, we've invested relatively heavily, and we've seen an approximate growth of 50 percent increase in headcount. And as Kenny just mentioned, for us, it was about creating that perfect blend, firstly, of people who have been at the brand for a number of years and have a deep understanding of what Dr. Martens is all about. One of whom you're going to hear from very shortly, Darren, as well as bringing people in with different experiences who may have some fresh ideas and different perspectives. It's that blend that's really, really important.

Two of whom I want to just mention briefly, So, in the next couple of weeks, we're bringing in a brand-new Global Category Director, Emma Howarth, who is going to join us from her current position as Senior Director of Global Product Merchandising at Converse, based in Boston. And then towards the end of the year, we have a brand-new Design Lead joining us, Adam Owen, who joins us from his current role as Global Head of Design at Birkenstock.

As well as investing in the team, we've also built out a brand-new go-to-market process. Firstly, again to help set us up for scale, but also to drive greater consumer-centricity. As well as that, we've created a new function that helps deliver greater insight and also data into the product function. So, that again, we can stay closer to the consumer.

If you think about our products, we have, what I would call two ecosystems, Mainline and AMP. They both have a different job and role, but there's true connectivity to ensure that we're driving clarity to the consumer at all times. Within Mainline, we have Originals, Fusion, and also Casual, all with distinctive but complementary end-uses in mind. Originals is the true heartbeat of the brand. It's the home of our iconic products like the 1460 boot or the 1461 shoe, the 2976 Chelsea. Fusion empowers a confident statement of personal style through bold and modern expressions of our DNA. That's the home of the likes of the Jadon or the 1461 Quad. In Casual, we support a multifaceted lifestyle through versatility and also street-style influences that contain the likes of the Coombs or the Crewson. And I'm going to bring some of these products to life shortly.

I think it's also really important to say that within these categories exists accessories collections, as well as kids, and kids is a really important collection for us because it brings new consumers in at an early age, and we can join them on their journey, and they can join us on ours as well.

Our second ecosystem is AMP, and we would call this the pinnacle expression of the brand. It's the home of exploration and collaboration. It's where we connect with cultural innovators in key cities and neighbourhoods around the world. It's where we drive authentication and validation for our brand and also for our product.

AMP consists of firstly collaborations, which is where we partner with the best creatives, designers, artists, and brands around the world. Made in England is where we create products in our original factory in Northampton using premium materials. Archive is a celebration of our heritage and authenticity. And then 14XX is a brand-new category, which is going to be the home of cutting-edge innovation. It's where we push the boundaries of our DNA, always through the lens of the brand as Kenny talked about. It's where we want to excite and disrupt both the marketplace and consumers. I'm going to talk a little bit about this later on, but we're only going to give a sneak preview because there's more to come very soon.

So, when we build out seasonal collections in any of the categories that we have, it's important that we always stay true to who we are and to our brand DNA as I've mentioned. We can build into new spaces, and we absolutely have to, to evolve and to grow, but we have a really methodical approach to how we do it. Firstly, we always use key brand signifiers, and then secondly, we stay true to the values of the founding families. And why that's important is that firstly, we want to make sure that whatever products that we create, as soon as a consumer sees it or they wear it, it's automatically seen as a Dr. Martens product. And then also, so that we never compromise on some of the attributes and the functionality of the product, whether that is durability or versatility and true functionality, as Kenny mentioned.

I now want to give you a bit of a refresh of our architecture and our key products and how we're able to build dimension while also remaining true to the brand. And as Kenny started off with, it all starts with the 1460 boot. So, the 1460 is our original style. It's a style that has stood the test of time. It belongs to many different subcultures around the world. You see it on consumers' feet at festivals like Glastonbury or South by Southwest in the U.S., or in music festivals and destinations or key cities like Tokyo in the streets like Daikanyama and Williamsburg in New York. It's a beautiful product where every element works together in harmony to create a really special product. So, some examples of the key signifiers are the grooved sole, the welted construction, the yellow stitch, the Puritan stitch to aid durability, the branded heel loop, everything that we create starts from this product.

The 1460 sits within our Originals collection, as I mentioned, and forms part of what we call the Big Three. So, the Big Three focus products over the last five years. Also sitting alongside that is the 2976 Chelsea boot. So, you can see where the starting point was from, it was from the 1460 boot, same sole, same construction, the key signifiers are the same, but rather than an 8-eyelaced boot, there's an elasticated gusset for ease of on and off. And then the third in the trilogy is the 1461 shoe. It's the shoe version ultimately of the 1460 boot. You see the cleanliness of the upper but everything has been built with durability in mind. And we talk about signifiers, which are really important, but the

three products that I've just shown you are all executed in our black smooth leather. And this leather is a key signifier for the brand; it epitomizes what we're all about. It's a really durable, long-lasting material. Not only does it look beautiful when you first put it on, but it just wears and ages beautifully. And Tuze's going to share some examples a little bit later on.

And by building out that core, it really gives us and the consumer a clearer understanding of what we're all about, which then gives us permission to move into these other spaces. So, as we move into Fusion, as an example, where there's a bit more of a bold attitude and an edge, the hero or the icon in that category is the Jadon. So, first of all, you'll see that it looks very similar in a lot of ways to the 1460 boot, and that's because, again, that's where the starting point was. But this time you've got a platform sole and a medial zip for ease of entry. And the Jadon this year is 10 years old and we're celebrating it in style. So, by building into the Jadon on a platform sole, it then allows you to take some of your other icons into platform heights as well. A great example of that is the 1461 quad. And of course, the key approach for us is to build new wearing occasion opportunities for our consumers, so that consumers can own more DMs within their wardrobe.

Sandals, we're going to talk about a little bit later on. It is a great growth driver for us at the moment. But what's important is that when we create a sandal, firstly, we look to our archive for inspiration. And again, we'll talk a little bit about that later on. But then also what we create truly looks like a Dr. Martens product as well as functions like a Dr. Martens product. And then finally, when we move into casual, which we talked about being a multifaceted lifestyle of street style influences. This category is where potentially a consumer wants to buy into the brand initially, but it's used to wearing sneakers. So, we've built a category that, A) talks about all the elements of the brand that are so important, but with a slightly different look, but you see the synergy with the 1460 boot - the rugged outsole, durability at the heart, but executed slightly differently, whether that's the overlay toe bumper for reinforcement and protection, the same around the quarter and the heel, and then mixed with different material executions to drive that durability but in a different way.

As I've mentioned, the 1460 boot was our first product, and so everything starts with that. And therefore our number one focus is to always innovate around boots to ultimately grow this category. But as well as this, it's also really, really important that we build a balanced portfolio of products. To again create new wearing opportunities for our consumers, as well as bring new consumers into the brand. So, innovating in both shoes and also sandals and growing both of these categories is a really key strategic priority. These categories can also be an entry into the brand, whereas maybe traditionally it was the boot, and a great example of that is in FY23, in EMEA as an example, over 30 percent of new e-commerce consumers bought into the brand through shoes and sandals. So the investment in these categories has been a really key growth driver for the brand.

This chart was shared by Kenny in the FY23 results. Firstly, you can see that within our 22 percent revenue CAGR from FY19 to FY23, all categories grew double-digit. However, shoes and sandals went from 27 percent of the revenue to 29 percent of the revenue, and you'll see that sandals showed, in particular, exceptional growth of a 50 percent CAGR. But there also remains a huge growth opportunity ahead of us. We've long been number one in boots globally. We're number nine in shoes, and number 14 in sandals. And when you look at the biggest players in some of these spaces, it shows the opportunity that we have ahead of us.

From a financial standpoint, our three categories are highly profitable. This chart highlights our best-selling products in each category and gives UK DTC price both inclusive and exclusive of VAT as well as gross product margin. All three of these product categories deliver approximately an 80 percent DTC Product gross margin, of course, on a cash margin basis, there is a difference due to the average selling price.

We've talked about the importance of the 1460 boot and the category of boots as a whole and how we grow that and the same as how we build a balanced portfolio of products. But what's really important also is how we build global consistency. So, if you were to look back a number of years ago, there was a significant difference between the top-selling products in each region. But as we've grown and embedded a consistent product architecture and approach, our best sellers have become highly consistent as you would expect, really for a global consumer brand. If you look at this slide, you'll firstly see that all of the top sellers are black, and also boots dominate. And within each of the key

regions, you'll see a 1460 black smooth, a 1461 black smooth, and a Jadon, and that is really intentional. The reason why this is important is because it enables you to be really clear with your messaging to the consumer. And our core icons in their core materials epitomize who the brand is about in the purest way. As well as that, that consistency also gives you advantages from a supply chain perspective as well - using the same leathers and the same components allows for greater agility.

Our focus and our philosophy is all about using the past to inspire us but always looking into the future to remain relevant. We always use our archive as our starting point but with innovation at the heart of everything that we do, and we believe this is our secret and what sets Dr. Martens apart. We always take a long-term approach as Kenny talked about, a custodian mindset to ensure that we always keep growing in the years ahead.

Internally, we have what we would call 10 icons or archival franchises. And what we're doing is building and creating equity around these products to create true consumer icons, of which we have four currently. I showed you these products earlier, they're the 1460 boot, the 2976 Chelsea, the 1461 shoe, and the Jadon. And the thing about these products is firstly, they're highly recognisable, they're globally adopted, and really importantly consumer chosen. If you want to wind back six years ago, the 1460 boot would have probably have been the only style that would have sat on this page. So, we've purposely built these icons and it's why you see them as so recognisable today.

I talked about innovation and now I want to talk about the importance of why we innovate but also how we innovate here at Dr. Martens. And we innovate through three lenses, and they are refresh, renew, and revolutionise. And all three of those lenses are really important to make sure that we always stay relevant to the consumer. I'm going to take you through each in turn.

So, let's talk about refresh. Refresh is where we take one of our most loved styles or one of our key icons and we execute it through new colour material application. It's a great way to bring a refresh to the product. It's a great way to encourage a consumer to buy another version of your product, but it's also a great way to drive consideration to the core as well. And this slide gives some great examples of the way in which we refresh our product.

It might be a beautiful suede on our 101 or our 1460 boot, which drapes beautifully, it feels great and is really comfortable. It might be about bringing a new colour expression, like peach or parchment, to the marketplace to complement your outfit. It might be about bringing a more bold expression to your icons, like the Jadon cow print. When you see this product up close, there's a great tactility about it because it's got a hair-on construction, which gives it depth, as well as the boldness of the cow prints, but it's also really wearable.

And then another way in which we refresh is by implementing new technology to some of our key icons. A great example is the Winter Grip, where we look at inclement conditions in winter, such as rain and sleet, and we create grip technologies to enable us and to enable the consumer to have added traction. So, the way in which we've designed it, the grooves allow for better water flow and added grip.

If we move on to our second lens of innovation, it's renew. So, renew, again, is where we take one of our key franchises or one of our most loved styles, and we create a family member or a new design that sits alongside it. There's the familiarity to the consumer because it looks recognisable as one of our key icons or franchises, but it gives another wearing opportunity in a new space. A couple of great examples of this are firstly, the Jarrick. The Jarrick has taken the Jadon and put a more contemporary spin on it. You can see that we've hidden the eyelets, so it's got a clean, contemporary feel about it. It's got a zip through at the tongue so you can start to personalize how you wear it, as well as different lacing options as well. As well as also creating family members around some of our heel products. So, the Jesy, which we launched - which is a heel version, again, of our 1460 iconic style, but with added flair and innovation. And then we bring in Mary Jane, which is the Eviee, to sit alongside it again, to give future purchase opportunities but also excitement to the consumer.

And then our third lens is what we call revolutionise. This is the true white space innovation. This is where we can push the boundaries of design that takes our brand into a new space or to disrupt consumers around the world and also kind of really excite them. As I mentioned briefly earlier, at the end of this year, we're about to launch a small capsule

around 14XX, and this category is the home of what we call revolutionary innovation. We have a full launch coming in Autumn Winter '24. This is a really exciting capsule this year, and we're going to activate it very shortly, but for now, I can only show you one element of the product.

When creating the product itself, as mentioned, we always use our iconic style, the 1460 boot as the starting point. So that when you see the product, you know that it's a Dr. Martens product. You see some of the key signifiers around yellow stitching, the branded heel loop, you see the groove sole, but what you also see is we've enlarged the sole, we've been bolder, we're using new design technology to allow us to create a more organic design feature. Everything's created through the lens also of durability. You'll see protection around the toe, mixtures of materials like rip stops and leathers, as well as inspiration from the 2976 with the elasticated gusset, as well as a zip entry as well. So, again, you can personalize the style. It's taking us into new spaces, and this is just one example. And I can't wait for you to see the rest in the coming months.

We take a really purposeful approach to growing our icons, and I'm now going to explain this in detail. We always strategically plan how we manage and grow with longevity in mind. And to do this, we use four levers which are on the slide there. Firstly, seasonal variations, collaborations, and partnerships, which again, Darren is going to take you through in more detail shortly. Marketing and also marketplace management. And I want to bring this to life using two different case studies. I mentioned earlier the focus on the 1461 shoe and how we built this into a much-loved style for consumers around the world. And I really want to share how we've done it. And what I love about this slide is that on the left-hand side, you see an image of our original 1461 shoe from when it was created. But then on the right-hand side, you see the 1461 shoe now, which is worn by consumers around the world. And ultimately, it's the same. It's how we've strategically planned and focused on it, which has driven the growth.

I'm afraid this chart is rather unhelpful, as it's commercially sensitive, we haven't shared a lot of figures. But you can see that DTC pairs grew by a CAGR of 46 percent between FY21 and FY23. We've significantly grown the pairs but we still have huge headroom for growth. So, how have we done it?

Firstly, through seasonal variations, we've created wardrobe staples like beautiful suedes or exciting compound innovation like iced soles which you see in the top left. We've also built a deadstock program where we take off-cuts of leather from the factory floor and we repurpose them into beautiful product, and we take sustainability really seriously at Docs, and Tuze is going to take you through this in more detail shortly. Creating seasonal executions is a really important way to keep the product fresh, relevant, and also covetable. It builds around the iconic black smooth icon which not only results in revenue growth from selling the seasonal products, but really importantly helps grow the core product as well through keeping it constantly front of mind of the consumer.

Secondly, we have worked with the best brands, creatives, and artists to help reinterpret the 1461 shoe. We've worked with influential communities who help authenticate the style and show consumers how it can be worn. And examples include the work that we do with Supreme, the National Gallery, and BT21. And this is an example of the National Gallery which is truly striking.

We've also placed a lot of focus on the 1461 through marketing. A couple of examples. Firstly, we've been focused on activating in a bigger and more impactful way in some of our key cities around the world. We've also built community-based programs, working with stylists to showcase how to wear the product, as well as adoption by musicians and artists.

Finally, we've placed a huge emphasis on marketplace management. And this is in essence using two strategic levers. Firstly, using the scarcity approach, ensuring we allocate the right amount into the marketplace to help drive demand, and secondly, what we call "segment to grow". What this means is identifying different products and different storytelling for different consumers to ensure wholesale marketplace diversification and therefore ultimately reaching more consumers and creating longevity for the style.

At Docs, we use three tiers of wholesale distribution, which internally we call Yellow Stitch, Ignite, and Amp. You can see the definitions of each on the slide, and they're equally as important as each other for different reasons. So, yellow

stitch are the big multi-brand specialty retailers that really showcase the brand in a Dr. Martens way that can drive significant volume and reach lots of consumers.

Ignite distribution are premium retailers that can drive volume but also help to elevate the brand experience. And then Amp distribution, think of these as the top of the pyramid, mainly contemporary boutiques and concept stores, highly curated and immersive or experiential destinations that drive influence.

This particular slide is a UK example and illustrates how we've used marketplace management for the 1461 shoe. So, a large yellow stitch customer on the left, which is Schuh, who sell our seasonal lines such as the 1461 Peach, which is shown here, as well as our core black smooth, to give consumers both newness, excitement, and the core. In the middle, you'll see an Ignite wholesale account, Flannels, which was offered a seasonal pebble grain execution, which is a contemporary version of the 1461 shoe. And then finally, an Amp account, End Clothing, who we worked with to launch the Wacko Maria collaboration to connect with our cultural innovators to validate and authenticate the style.

By working in this way in different channels and tiers it allows us to build an architecture, an architecture into our products at different price points, which offers a different value proposition for different consumers based on what they're looking for from the brand. This slide gives a great example of the architecture and how we can command different price points and therefore build incremental business with different consumers within all of our key categories.

Just to pick out a few on the slide, you'll see our black smooth version, which is our Bullseye, €179, and then you'll see a beautiful Oxford suede, €159, and that price point differential is a consumer validated difference. And then as we move up pricing, you'll see deadstock, €249, which I showed you earlier, and then at €299, you'll see a collaboration that we did with A-Cold-Wall*. So, taking the 1461 and building it into a new space.

Having this range of the same product in different materials and collaborations enables us firstly to bring new consumers into the brand at different price points. It also helps us drive up average selling price which also clearly has financial returns.

So, I've shown you how we've grown one of our key iconic styles, the 1461 shoe. I now want to showcase what we've done with mules, which is a much smaller product line for us, which sits within our sandal category that is experiencing high growth. And similar to the 1461 slide, I really love this slide here because on the left-hand side, it showcases one of our archival styles. We were creating mules back in the early '90s. And this particular style was launched in 1996. And that is always the starting point and the reference point for what we create. And on the right-hand side, you see the Jorge, which is one of the mules that is performing so well around the world and loved by consumers right now.

From a financial standpoint, as you can see, we've created incredible growth. From FY21 to FY23. We've delivered a 327 percent CAGR growth off a small base. This is based on DTC pairs. So, how have we done it? We've used a similar philosophy to what we've done with the 1461 shoe. We started off with launching the Jorge in Made in England using both premium suedes, hair-on animal prints, and clean leathers. We worked with communities and cultural innovators to showcase how to style it and also to validate it. Then we expanded the collection into different styles, and again, targeted different consumers with different styles, looks, and value propositions.

And just to give an example of some of the mules that we have, we have them on the front table here for those that can see them in the room, and I think we've zoomed up on them with the camera as well.

We then simultaneously built a collaboration strategy to create firstly buzz and excitement, but also to reach new audiences, and then we activated it in key cities. This helped us drive further consumer demand and also brand heat. And again, Darren is going to go into much more depth than me as we move through into the next presentation.

From a marketing standpoint, for this category, we mainly used our social channels, really focusing on driving both awareness as well as engagement and we used Instagram and TikTok as the main vehicles to do this. We used a lot of user-generated content, as well as really great rich storytelling to create hype. We still have huge headroom in mules

and with a plan to continue to build on the energy and growth in the coming seasons.

So hopefully that has given you a great insight into how we build and grow product here at Dr. Martens, but I just want to summarise. Our founding families were inventors and also innovators. And that sentiment really does run through everything that we still do today. We have a really intentional approach to how we launch and create products and create longevity around those styles. We believe there is a huge headroom for growth across all three of our categories. And the beauty of this brand is that we have such iconic core product led by the 1460 boot, which is also consistent through its black smooth application that screams durability, timelessness, and versatility, product that can be styled in so many different ways. This drives firstly consumer recognition and confidence, clarity of brand message and the ability for consumers to personalize their style with our product. This also drives great brand loyalty, which Meg will talk a little bit about later on.

So, thank you for your time. I'm happy to take any questions at the end. I'm now going to hand over to Darren who is going to take you through our collaborations and partnerships strategy. Thank you.

Darren Mckoy – *Dr. Martens – Creative Director*

Okay, good afternoon, everyone. I hope you're all well. Following on from Adam, I'd like to take this opportunity to introduce myself. I'm Darren Mckoy, and I'm the Creative Director here at Dr. Martens and also the leader of the AMP function here at the brand. My career spans 16 years, having worked in retail many years, working internationally in product roles for the likes of the Adidas Group in Germany, in Herzogenaurach to the VF Corp for The North Face in Switzerland, as well as the famous brands from Japan, Asics and Onitsuka Tiger in Amsterdam and Japan, respectively.

I'm a self-confessed footwear geek and an avid footwear collector, and Dr. Martens has been in my life since a very young age. My uncle was an original rude boy and probably my first style icon. As I was growing up, I saw him wearing 1461 shoes and the 1460 boot, and I just thought he was the coolest person ever. He listened to two-tone music, ska music, Dancehall, and his favourite bands are the likes of Specials and Madness. He was a massive influence on me and it's clearly evident today that he still is. Docs is part of my DNA, it's part of my makeup, which I'm now passing on to my kids. It's a generational thing. It's a family thing. And yes, I'm a brand custodian, as Kenny mentioned. I've had the pleasure of working for Dr. Martens for over eight and a half years within the product design and development teams and it's fair to say I have a sincere love for this brand and its infectious passion. The cultural significance and its incredible fan base are also extremely important to me.

Collaborations play a powerful role within the brand and I've had the responsibility of building and crafting the collaboration strategies to ensure Dr. Martens remains at the forefront of culture, conversation, creativity, and innovation. And today I'd like to talk to you all a little bit more around our approach on how we drive brand heat. But first, to really understand the journey of collaborations, we need to look a little bit further back. On the first of April 1960, the 1460 boot arrived. Our first collaboration was born out of true partnership and innovative thinking. The Funk, Maertens, and the Griggs and their unlikely coming together has created a mentality that's ingrained in the heritage, the history, the people, and the culture of this brand, and we still champion it today.

Here's a picture from April this year, in Germany, Seeshaupt of Max Maertens, the son of Klaus Maertens and I stood outside the original workshop of his father. We continue to foster collaboration and relationships to this very day because our past continues to inspire our future. Our authentic roots and relevance within subculture and youth culture movements of the last six decades in music, art, and style has enabled the brand to cement its position with a generation of diverse wearers. It strengthens our cultural capital, and it continues to keep giving us our alternative edge across the globe.

A rich history and celebrating not just our products, but those who champion self-expression, our consumers, and our partners is to the continued success of our collaborative strategies. The spirit very much of the past continues to inspire the youth of today. But why collaborate? The role of collaborations is important, as Adam previously mentioned. It's a key pillar within our brand and product plans and continues to be a strategic tool for creating authentic consumer connection and driving brand amplification and credibility. Collaborations play an important part in energizing the sharp end of the brand's attitude and purpose, plus also strengthening our positioning within modern youth culture,

maintaining the cool factor and driving brand demand.

Our aim is to connect with progressive wearers, influential communities, both local and global, key cultural innovators, and the early adopters, enabling us to consistently renew the brand's relevance in the global marketplace, which in turn creates a powerful halo effect on the wider brand and the Docs consumer base.

The cascade of collaboration energy to icons and innovation products and stories helps us incubate product energy and build stories at the right time for the consumer. It's what we refer to internally as a trickle-down effect. It's an incubator strategy. Our approach is to drive brand heat and connectivity across all our categories, as previously mentioned by Adam, it's about creating impact across boots, shoes, and sandals, fuelling the mainline across any given moment.

Alongside that, collaborations play an important role in creating amazing storytelling and generating real-time brand talking points. Always keeping the brand in the minds of the right people, be it in physical or digital spaces from London to LA to New York to Seoul, igniting and heating up the streets is a key must for the brand. Driving differentiated yet targeted collaboration and messaging is a vital factor in leveraging PR moments and brand activities to create maximum marketplace disruption and consumer demand, as I've mentioned before, and we do this by partnering with global titles and key social channels, such as the likes of Hypebeast, Highsnobiety, Complex, and Hype Bae, to name a few.

We've had the pleasure over the years to have worked with some of the most influential and iconic brands on the planet, strengthening our brand equity and building a timeless shared legacy. Over the last five years, we've had a powerful roster of culturally relevant partners, as you can see on the screen behind me, from the likes of Vetements, Supreme, Rick Owens, Raf Simons, Comme des Garçons, A Bathing Ape, The Clash, and many more. Our recent collaboration with Supreme on the Penton loafer earlier this year sold out in under two minutes and created high demand across all channels. Our projects continually allow us to connect with new consumers and reconnect with old.

A few of our projects have even found their way onto the feet of major celebrities. Working with key global stylists and driving an integrated seeding strategy plays a role in global celebrity adoption. We do not pay celebrities to wear our products or collaborations. It's a truly organic adoption that has been built through years of relationship management. In most cases, they wear our products because they're genuine fans of the brand, and that's extremely special. We're frequently approached by stylists and celebrities through our PR networks and our marketing channels, and we happily gift our products.

However, not all projects are created equally, and not all drive commercial return. Some are created to amplify moments like no other, creating organic moments of magic. Here are some examples of custom projects we've executed over the last few years. This is where we create one-off bespoke products in collaboration with cultural innovators, such as musicians, artists, stylists, cultural industry figures, and so forth. You can see here a 1461 shoe that we made for Tyler the Creator for his Igor Tour, as well as the 1490 boot we made with the brand Off-White from with the late genius Virgil Abloh for Gigi Hadid for Paris Fashion Week. And also, our most recent bespoke project for Blur, who are longtime wearers of Dr. Marten's brand, for their biggest show ever at Wembley in July. We designed the boot, which is just over there, and you can see on the screen behind me, with their stylist, and both Damon Albarn and Graham Coxon wore them on stage.

This had a massive reach and created excitement for the brand. Creating these special moments leaves a mark and creates memories that help elevate the brand consistently. So, how? The formula is effective yet simple by focusing on three components of products and creative intent, partner selection, and connecting with authentic communities, this helps create the impact and the desired effect of which I'll talk to now.

As I said before, six decades of rebellious self-expression and our storied place in youth culture is part of our DNA. But evolving and modernising that spirit for today is the key to our continued success. Focusing on the ever-evolving intersections of progressive youth culture helps structure the foundation for the creative lens of collaborations and partnerships, style over fashion, art movements both old and new, celebrating the universal language of music from

the past, present, and the future to actively exploring modern street culture are the focal points for our collaborations as we seek to revamp, reinvent, and refresh ourselves and embrace new forms of creativity.

And with that said, this leads me to one of the critical points of our process, which goes hand in hand with our creative lenses for collaborations, partner selection. It is a two-way approach to establishing new partnerships. Dependent on our strategic intent, we approach new partners. We are consistently approached with new opportunities. We partner for the long term with true culture brands that embody the very values in essence and attitude of our brand. This is Yohji Yamamoto, on the screen, one of our longest-serving partners, in the late '90s, wearing Dr. Martens in a pre-review show. For me, this is an amazing visual because it really captures the essence of what the brand is all about and our partners.

One of my favourite quotes from Yohji was when he said, "With my eyes turned to the past, I walk backwards into the future." And I think this line captures and articulates our approach to progressive thinking as we explore new dimensions and creative possibilities with our collaborations and collaborators. Keeping Yohji's quote in mind, our partner selection is about keeping our finger on the pulse with the next generation in wearers and creators whilst respecting the past and its values, connecting with future creators, the new creative disruptors and identifying key cultural moments, both global and local, will continue to be the formula to power the next generation of Dr. Martens' collaborations. To truly energise our collaborations and maximize the strategy into the future, we will continue to champion and support different creative communities across the globe. We have a highly diverse global consumer fan base, and a diverse mix of collaborations allows us to authentically tap into them on a consistent basis.

Being at the forefront with the next generation and working with new collaborators and storytellers is extremely important. Be it a brand or media partner, A-list talent, elevated distribution as Adam mentioned, we will continue to drive all avenues of connection to strengthen these relationships and build brand heat and noise.

For 2023, we will further enhance our partnership to do exactly that. Looking to the future, we have more to come and not all are shown here. We will continue to push boundaries with leading industry minds, creatives, and brands, as well as create unexpected dynamic stories with up-and-coming collaborations within our pipeline. Wearing Dr. Martens is a modern expression of rebellion in street culture, and our collaborations continue to cement that positioning, and we will continue to build authentic cultural capital for years to come.

2023 is shaping up to be another strong year for the brand, and I'm personally excited. Thank you for listening. I would now like to take the chance to pass over to Tuze, who will talk to you about product sustainability, which is important here at Dr. Marten's particularly to our consumers.

Tuze Mekik – Dr. Martens – Global Head of Sustainability

Good afternoon, everyone. My name is Tuze. I lead our sustainability team at Dr. Martens. I've been here for over six years, having previously worked at Gap and Burberry sustainability teams. Over the 20 years I've been in this field, I've had an opportunity to see first-hand the impact that global brands can have and I'm passionate about being part of the change towards more sustainable business models and products. Today, I'm going to talk about product sustainability and share with you some of the exciting new areas we're working on.

When I joined DMs to set up a dedicated sustainability team and set a long-term strategy, one of the things was obvious. Sustainability has been an intrinsic part of DM's and DM's product from the very beginning. Our first and most iconic product, the 1460 boot, was born with the principles of sustainability at its heart, as Adam mentioned - durable, timeless, and versatile. Every product that has followed since has adopted the same approach, and we make products that last, and we do not follow fashion. It was also clear that doing the right thing was at the core of the families' values, and corporate responsibility was taken seriously. For example, back then, supply chain teams were running supplier audits to make sure that they had ethical practices in the factories where they manufacture DM's.

Today, the central sustainability team consists of six people. We work very closely with many expert colleagues across the supply chain and product teams to implement our ambitious strategy. We have progressively developed our activities and our reporting, as I'm sure you have read our sustainability report in our annual report. In there, we have

detailed information on our strategy and the roadmaps that will enable us to meet our ambitious sustainability commitments. And we'll continue to invest in our capabilities in this important area. Ultimately, as a custodian of this brand, we're committed to doing the right thing, and this is really important to our consumers and our employees.

So, I'm here today to talk about product sustainability, but I thought it would be good to first cover our overall strategy, which has the overarching aim of leaving things better than we found them. This is made up of three pillars: planet, product, and people. And as Kenny mentioned, it sits within our DOCS strategy. In planet, our biggest focus is to become net zero by 2040, and we have submitted our plans behind this to the science-based initiative for validation. Alongside this, we also have important targets here around renewable energy and zero waste to landfill.

Under the people pillar, the key focus is on DE&I, something that has long been very important to our brand, our consumers and our employees. The other two areas under this pillar are human rights and CSR audits within the supply chain and our community work through the Dr. Martens Foundation. In the product pillar, which I'm going to go into detail on the next slide, the key targets are around making our materials more sustainable and circular.

So, moving on to products specifically, I'm going to share what we are doing today to improve the sustainability of our products and then I'll turn to how we're thinking about doing things differently in the longer term. As you may know, the two key raw materials we use are leather and PVC. Leather is a highly durable material, and as many consumers will know, it's a great material for footwear. The leather we use is a by-product of the food industry. To improve the sustainability of leather today, we're focusing on three areas. Firstly, we're sourcing all of our leather from Leather Working Group Certified tanneries. We believe that there are only a few global leather brands out there who can make this claim. Secondly, we focus on having all our leather traced back to the abattoir. And finally, we're making the necessary investments today so, our leather supply chain is deforestation-free, and, in the long term, it comes from regenerative sources.

These are really complex areas and no one company can address alone. So, collaboration is really important. We're a longstanding member of the Leather Working Group, which is a global organisation that drives for best-in-class responsible leather production. Most of the global brands such as Nike and VF Corp, together with NGOs such as WWF, are members of the Leather Working Group and we work together towards reducing the environmental impact of leather.

On traceability, we've made fantastic progress over the years. And currently, 87 percent of the leather we use is traceable back to abattoir. As you can see on this chart, this is a 50 percent increase from 2019. Again, I believe we are one of the few global brands to make this claim. And this is an ambitious target, we know that but this is one that we put lots of energy and effort behind. For example, we have incredible expertise in-house with deep knowledge of leather. One of these experts, my colleague Craig Drew, co-chairs the LWG traceability subgroup on behalf of Dr. Martens. And this helps us to be at the forefront of progress on the leather traceability.

Finally, on our target to achieve 100 percent of our natural materials from regenerative sources, this is about ensuring that we start to take steps to contribute positively to the environment in the long term. You may have heard about regenerative farming. Simply stated, this is a holistic set of practices to increase biodiversity. So, far, we made some small steps forward in this area. For example, around 30 percent of our Virginia leather comes from preferred agricultural methods from Uruguay. But we know there is more to do here to achieve our 100 percent by 2040 targets.

The other key material in our products is PVC, which makes our famous air cushioned sole. Here, one of our key focuses is to replace fossil-based chemicals with bio-based alternatives, which I will come on to later. PVC is also a highly recyclable material and while we work on a bio-based options, we continue to trial recycled PVC. At the same time, with Loughborough University and our recycling partners in Netherlands and the UK, we're researching to separate offcuts from old footwear to safely recycle back into this new product. An example of this is in our Carnaby Street store where we made shelves from recycled PVC.

So, in addition to leather and PVC, we've also made considerable progress improving the sustainability of other components and packaging we use. For example, our standard heel loops are now made from 100 percent recycled

polyester. On packaging, we've changed the design of our shoe boxes to reduce the fibre content, and they're now 95 percent recycled content. We've also moved our e-commerce shipping bags to 80 percent recycled content.

This year we partnered with University of Berkeley's Deplastify the Planet program. This is to investigate if we can repurpose leather production offcuts from the factory to make other internal components, for example, the insoles which are currently made from synthetic materials. It's been really exciting to see the potential circular solutions and we are taking some of these learnings for our future material development.

So, I've given you some details on the progress we're making to improve the sustainability of products today. What we are doing at the same time, working with the product and supply chain teams, is investing time and energy into developing whole new ways of creating our products. This is very important to achieve our long-term target of 100 percent of footwear made from sustainable materials by 2040, without ever compromising durability.

Here I'd like to highlight the three areas. Firstly, we are working with, and recently invested in, Generation Phoenix, who are one of the leading producers of recycled leather at scale. Gen Phoenix takes leather offcuts, which are often destined for landfill, and uses a process which breaks down the leather fibres before rebonding them producing full recycled leather sheets. The sheets can be cut again to make the upper part of the shoes. This material has been through extensive testing, and we are confident that it matches the durability of our current range.

We plan to launch our first product made with Gen Phoenix material next year. And I'm excited to show you today a sample of that. So, this is a 1460 boot made with Gen Phoenix recycled leather. As you can see, it has all the characteristics of 1460 boot, but made with this innovative material which we are really excited about.

Secondly, as I've mentioned our original outsole is made from fossil-based PVC. We have a commitment to develop a sustainable outsole alternative and to phase out fossil-based chemicals by 2035. In partnership with our PVC suppliers, we are currently testing bio-based formulations for our original PVC outsole and the good news is that we have encouraging early results.

We know this is a challenging work and the plastic industry is already working towards the same goal in the future. But as of today, the tests show no difference in durability of the bio-based PVC. So, we will continue to explore this opportunity with our suppliers and partners. We aim to trial our first bio-based outsole on a test-and-learn basis over the next few years.

Finally, our vegan range remains very popular with consumers but from a sustainability perspective, we're thinking about how we can make this differently in the future. We're testing a range of different materials. This one is made with a plant-based upper material. But finding the right vegan material will take time because we will not compromise on our high-performance standards. And some of these alternative materials are yet to pass our durability tests. So, I hope that gives you a feel for what we are doing to make our products more sustainable.

We're also making strides in two related areas, resale and repair. On resale, we know that the second-hand market for Dr. Martens is significant. And we also know that a large proportion of our consumer base purchases second-hand items. For instance, 40 percent of our USA consumers have purchased second-hand products in the past. We first entered this space in the UK last year in April with a trial with Depop. This trial was about restoring and repairing second-hand Dr. Martens by our repair partner and then sell through the Depop website. This was highly successful, and we were consistently amongst the top five brands on the Depop platform.

Following this successful trial, we've since been working behind the scenes to launch through our own website. Consumers will be able to purchase restored DMs via our official Rewair website and consumers will also be able to trade in their old DMs for a discount for a new pair. The old pairs will then be restored and resold. This will launch on a trial basis in the USA next year. And we are super excited about this new model to engage our consumers.

Finally, repair. We know the welted nature of our product construction means that traditional cobblers aren't able to resole our products and there has long been demand from consumers for a repair service. We're often contacted by

consumers who cherish their old DMs but find that their old outsoles have worn out after 20 years while the leather upper still looks great. In fact, someone recently was so concerned to repair their DMs in a correct way, that they drove two and a half hours to our factory in Northampton to drop off their DMs personally because they were their favourite pair.

Therefore, we are soon launching a UK authorised repair service covering almost all footwear and bags. Consumers will interact via a standalone authorised repair website and they will be able to send off their Docs for repair to our dedicated boot repair partner which is based in the UK and we'll have oversight of the repair quality.

So, I just want to show you one example of a recently resoled product. You can see the new outsole and the upper is still looking beautiful but polished, nice and clean and repaired, if needed. And this has been through this year's Glastonbury, it was in a horrible place, but now the wearer is happy again.

This work is led by Geert, our COO, and his team in global supply chain as we have an ambition to expand the global network of repairers in the future so we can deliver the similar service in other key regions. So, that's the end of my presentation. Thank you for your time and interest in Dr. Martens' sustainability and I'll be happy to answer any questions at the end. And I'll now hand it over to Meg.

Meg Johnson – Dr. Martens – Chief Marketing Officer

Hi, everyone. So, I'm Meg Johnson, the Chief Marketing Officer here at Dr. Martens. I started my marketing career at Procter & Gamble, where I spent the next decade working on a number of different brands across different industries across different geographies. In 2013, I moved from P&G into the footwear industry.

I joined New Balance to help lead their international expansion plans and after a couple of years, moved onto the home market, North America, where I was part of the leadership team tasked with turning that business around. After 12 years spent in the US, I made the move to APAC where I moved out of brand and into consulting, consulting across a number of different consumer industries, helping companies build their marketing strategies and business development goals.

I joined Dr. Martens just over a year ago, and it was a real coming home in a number of ways. I'd been out of the UK, so I came home to the UK after almost two decades. I came home to Camden where I spent many weekends as a rebellious teenager and I came home to Docs, which was my footwear of choice ever since my 14th birthday when I got my first pair.

So today I'd like to talk to you about how I see the Dr. Martens brand, our consumers, and the opportunity ahead of us. Starting with our consumers. We have a very diverse consumer base. The Dr. Martens' products and the Dr. Marten's brand appeal to a wide variety of consumers across genders, demographics, socioeconomic backgrounds, passion points, interests, geographies. And this diversity and breadth of appeal gives us a real balance and staying power and gives us significant opportunity to grow among all of these cohorts.

So, to share a couple of stats. On the left-hand side looks at our gender split. We have a very even gender split. This is quite common for larger brands, but a brand our size it is not always the case. In the middle looks at our age breakdown with just under 25 percent of our wearers in the Gen Z demographic - so 24 and below. And for us, this is incredibly important. We are a youth culture brand. We need to make sure that we are continually bringing in the next generation of wearers, and then we want to keep them. So, around 50 percent of our wearers are between the ages of 24 and 44. We track these metrics very closely across all of our top geographies and we work really hard to maintain this balance. And we have good consistency in these metrics over time.

Coming into the brand, this was something I expected. But something I really didn't expect as much was the loyalty that we see among our wearers. So, loyalty is a really important part and it's a really important metric for future success and longevity. Across all the brands we track and all the metrics, there are many ways to look at this, we consistently rank in the top three brands for loyalty.

This chart here takes a metric called brand sentiment score. You can see the yellow bar, which is top three. What isn't on here is the actual metric. I've been tracking these metrics across brands I've worked on for 20 years and the absolute measure for Docs is very, very high. So, when you are into the brand, you are in.

What drives these strong loyalty scores among this very diverse consumer base? So, I'll start with our product. We have inherent product attributes, which Adam talked about in his presentation. We are not a trend-driven brand. Our products are highly functional. They are durable. They are timeless. They are versatile. They are a true staple in our wearers wardrobe.

And this slide shows some of that through some metrics. So, at the top are statements around what consumers wear Dr. Martens for and our competitive set for. Docs in yellow, the competitive set in black. And the highlighted box in the top left says, "I wear the product for almost anything." And you can see the significant difference that we have versus our competitive set. Because Docs are worn by our wearers for almost anything, they're also worn a lot.

And the charts at the bottom of this slide talk to frequency. The two we've highlighted again on the left-hand side are, "I wear my product every or most days or at least once a week." And again, you can see that the yellow bar Docs is significantly ahead of the black box, the competitive set. So, part of the loyalty is driven by our core functional product attributes. They're highly functional, highly versatile.

The next piece is a clearly differentiated and appealing brand proposition - rebellious self-expression. This is why I bought my first pair of Docs when I was 14. It's why 14-year-olds today are still pestering their parents to wear their first pair of Docs. It's what 30-ish years later I still feel when I put on a pair of Dr. Martens.

Now in the metric where you would look at this, this is a differentiated brand positioning. So, what this chart looks at is a whole host of different statements that we track again across markets. And what I've pulled out here is those statements where we have at least a 10-point gap versus the competitive set.

These things are our differentiators. They're our soul. They relate back to what our brand positioning is. And if I were to kind of pull all of this together, we stand for things. I'll just call out a few. We are deeply rooted in music. That has always been part of this brand. Putting on a pair of Docs gives our wearers confidence. Docs makes them feel that they can take on anything. We are sustainable and ethical. And Tuze talked to you about why that has always been and will continue to be at the core of our plans.

This is a really powerful brand positioning. These are compelling emotional territories and attributes that are universally desired. And it's one of the key reasons why we are not age, gender, geography bound. These two things, our product attributes and our brand positioning, drive a really strong value proposition.

This chart has price perception on the Y axis, value for money on the X axis. Docs again in yellow. We are a mid-to-premium price point brand. So, we are going to be at the top of this. And where we would want to be and where we are is at the top right. Our consumers see the deep value in our products and our brand. And in tough economic times, having a strong value proposition is really important and brands that have this will come out the other side even stronger.

So, to sum up this section, Docs has an incredibly powerful emotional connection with its wearers, more so than any other brand that I've worked on. I've included a quote here from Wayne Hemmingway, a British designer, that I think articulates it really well. And I'll read it out. "Dr. Marten's means something. The core of their appeal lies in their extraordinary heritage and deep association with youth culture. This is not the sort of association that comes from advertising or marketing ploys, but a genuine connection born out of each era adopting the boots as their own."

So, what is the opportunity ahead of us from a brand marketing standpoint? We have an incredibly powerful brand. What we need to do is nurture and deepen this magic of Docs. But we need to do so on a larger scale in a more intentional way across all of our top markets to ensure that we are driving long-term sustainable growth and propel us towards our next milestone of £2 billion in revenue.

So, in my first year at Docs, there were three areas that I focused on. I am the first dedicated CMO at Dr. Martens. So, part of what I've been focusing on is building a modern marketing engine. Remember that Docs was a family-owned manufacturing business for its first 50 years of life. And only in the last nine years have we been on a professionalisation journey, and we can all see the revenue trajectory that that has driven.

Now we are doing that within the brand functions at Docs. So, the areas that we're focusing on are firstly building skills and capabilities. Marketing is way more complex than when I started in this industry, in this business. There's digital marketing, culture marketing, integrated comms planning, there's art, there's science. All of these things are required in a modern marketing function. And we are ensuring that we have world-class talent both within these walls and with our external agency partners. We are sharpening our strategy and our structures to enable this. We are zeroing in on the top priorities that marketing will drive in order to deliver the Docs strategy and ignite the next phase of growth.

And lastly, some of the enabling things, the processes and tools that will allow us to better execute this strategy from a new go-to-market process to better efficiency and focus on return on spend. All of these are invisible things that consumers will never see. But the result of these things is effective marketing that doesn't feel like marketing and advertising ploys. That every touchpoint connects with a consumer where they want to be connected to in a way that's brand right, and ultimately brings in new wearers and deepens loyalty with our current wearers.

The next area talks about some of the output, what consumers will see, the visible stuff. And this slide talks to our strategy of global big bets. We're becoming much more intentional and focused in our marketing to ensure that we drive real impact and cut through in all of our top markets around the world. Darren talked about our collaboration strategy and an example of this is where we are doubling down on the most important partners and collaborations that will drive the biggest impact for the brand.

On this slide, there's a sneak preview for an upcoming campaign that we're launching later this year. This is a global campaign that we'll launch in all of our markets where we're bringing together product storytelling and brand storytelling under the idea of Made Strong. We will talk to our product's attributes of quality and durability. We'll highlight the newness, Adam shared the cow print boot, that's an example of newness. We will also be highlighting our iconic products. And we will juxtapose this idea of strength and durability in our products with Gen Z insights around strength, and how what strength means today is changing massively for this generation.

The third element that we've been focused on is our creative, and making sure that at every touch point how we show up supports and builds our brand positioning. We show up in a modern, elevated way. This is a store mock-up for the campaign I mentioned, Made Strong. It shows a simple, clean, visual identity that heroes our amazing products.

So, before I turn it back to Kenny, I wanted to share with you just a sneak cut down preview of the documentary-style work that we are launching the Made Strong campaign with. We worked with talent and wearers around the world talking to this new idea of strength and what that means today.

[video]

Kenny Wilson – *Dr. Martens – CEO*

Great. So, what have we covered this afternoon? Just to summarise. Well, first of all, Adam's given us an overview of the structure of our product range around our icons and innovation strategy. And clearly what you'll see is that everything we do here at Dr. Martens is anchored in our most iconic product that gives us a point of differentiation.

Then what you've just heard from Meg is that we've got an incredibly strong brand where we've got market-leading loyalty. After we get you into the Dr. Martens brand, you go on to stay with us and you buy more pairs.

And then finally, across the stage here what you see is that the company continues to innovate for future growth. Adam's got his sneak product hidden down the back of there. But I mean, I said when we did the results presentation back in June, I'm probably the most excited I've been in my five years at Dr. Martens when I look at what we've got

coming down the pipeline both in terms of how we're moving our icons forward. But also, in terms of bringing really clear breakthrough innovation to the market. I think it's the most exciting product proposition that Dr. Martens has had in its history.

So, what we're going to do now is we are going to turn it over to questions. I think we're only taking questions from people in the room today. The thing that I would ask is that if you're asking a question, you say who you are and where you're from. I probably know most of you but for the team, I think they're probably meeting some of you for the first time. And just to be clear upfront, we're not going to go into any real detail today on current trading because we've got no real update beyond what we said back in June. Right. If I can get the presenters up here. And there will be a roving mic, I believe, so that should help. Go ahead, John.

John Stevenson – Peel Hunt

Great. Thank you. John Stevenson at Peel Hunt. A couple of questions to kick us off. You might have touched on it in the conclusion, to be fair Kenny but has there been a change in momentum in the level of innovation and sort of brand development. And, you know, to the extent that has a kind of benefit. You can't put numbers on it, but can you comment on it.

Secondly, just how do you land the collabs innovation into a global market and to your partners. You've maybe sort of touched on that in terms of the differences between, you know, a market that has you know, like the UK it's mature versus what you're trying to do in the states and maybe some of the farther places.

And finally, how do you balance creating this innovation -- this brand heat without damaging youth relevance? I get that you've done it for 60 years. And clearly, you're very, very good at it. But, you know, how do you keep that tension so you keep being able to renew?

Kenny Wilson – Dr. Martens – CEO

Yeah. I'll take the first question around, you know, the relativity given, you know, I've been around for five years. Darren's obviously been around in the product arena for eight. I think the reason why I feel so excited, John, is that we made a very deliberate choice. You know, at the end of the day we've always said the product is anchored in the icons. You know, it's 80 percent of what we do.

But if you look back at the history and the heritage of the company, the company was all about, you know, invention. Not just innovation, but true invention. So, when we went out to hire Adam, we looked for somebody who had a real background in creating newness and innovation, but through the core lens of the Dr. Martens brand so, that's what the team's been working on behind the scenes and some of that more technical innovation, you know. So, it takes a longer period of time of gestation, which is why much of that will start coming through the market in the second half of next year. Do you want to say anything extra, Adam, on that?

Adam Meek – Dr. Martens – Chief Product Officer

No. I mean, I was going to focus on how we also land, which I think is kind of related to that, I suppose. And Meg can maybe add on to that. But one of the big focus areas for us has been how we drive a consistency of message across everything that we do and how we partner between product and marketing from the outset to build into those bigger stories so that we can drive real consistency. And then collaborating with the regions to ensure that we're landing that in a really impactful way. Anything you would add, Meg?

Kenny Wilson – Dr. Martens – CEO

Do you want to add anything on the collaborations then? Because part of the question was around, you know, do you align collaborations any differently in America versus Europe?

Darren Mckoy – Dr. Martens – Creative Director

Thanks for the question. Great question. I think with regards to the collaborations, we're strategic in terms of who we

work with and why we work with those partners. Specific to that point of making sure that we're working with brands that resonate within the European market, brands that resonate within the American market, as well as the Asian market. And I think for most cases we're really focused and targeted towards that.

John Stevenson – Peel Hunt

Yeah. I mean, would you do more say in the states because you're trying to, you know, drive penetration and awareness in the states? Does that mean it gets more -- yeah, more to do essentially?

Kenny Wilson – Dr. Martens – CEO

Yeah. I mean, we tend to pick partners, as Darren said, that have got global resonance. But there are partners who we pick with specific intent in a market. So, for example, we're about to do a collaboration for 10 years of the Jadon with Marc Jacobs which is going to launch in New York next week and effectively, that will have resonance here in Europe. But obviously, Marc Jacobs is American, so therefore it'll have even more resonance there. But we try at that top end of the pyramid. You know, effectively both the consumer and the sort of stores you sell those products in, those people are a global network. You know, there's more similarity often between somebody living in New York and London than somebody living in London – and let me pick on somewhere because I'm from there, Aberdeen. You know, those people who are living in big global key cities. There's a lot of commonalities in a very connected world. So, yes, we do do certain collaborations to target a market. But we also try and pick partners that have got global resonance.

John Stevenson – Peel Hunt

And sorry. The point on just renewing the youth without, you know, burning the brand?

Darren Mckoy – Dr. Martens – Creative Director

I think again, 63 years of heritage and history are, as I mentioned in the presentation, the spirit hasn't changed, and it continues to evolve. And I think for us, the youth in terms of youth culture today, I mean, they are inspired from the past in most cases. And I think that's something that we pay a lot of attention to. Be it through our design network, be it for collaboration partners, I think it all works together to kind of continue to move us into a new direction and space.

Kenny Wilson – Dr. Martens – CEO

I think the other thing that's really important is, it's icons and innovation. So, you know, for the Dr. Martens brand, the icons will always be important. And I think what Adam was trying to get across today is to say all of the newness and the innovation that you see here, it's all through a Dr. Martens lens. It's not about copying other people. It's about saying how do we bring freshness to keep the brand and the product relevant for the next generation of consumers? But it harks back to the thing that is distinctively Dr. Martens. And I think that's the really important thing we have to get across to consumers.

Meg Johnson – Dr. Martens – Chief Marketing Officer

And then how I would just build on that is from a consumer lens, you know, the question of how do we stay at the forefront of youth culture? Darren showed the innovation curve, every industry has it. And for us we look at that on a consumer curve so, those early adopters. Actually, even before the early adopters, who are those that are looking at new movements. So, we work very closely with cultural innovators, we call them, to make sure that we stay relevant with the youth culture.

Adam Meek – Dr. Martens – Chief Product Officer

Yeah. And we build those two-way connections and relationships with them So, that it's really authentic as well.

Kenny Wilson – Dr. Martens – CEO

Go ahead.

Bill Casey – Schroders

This is Bill Casey from Schroders. How much of your growth has been driven by the Gen Z cohort? And how has that age group leant toward originals or versus the rest? And the question is sort of what's behind the question is more about how hard do you have to innovate to capture that generation and to drive growth?

Meg Johnson – Dr. Martens – Chief Marketing Officer

You know, the age split has not actually changed that much over the years. So, we've been very consistent with bringing in new consumers. You know, now it's called Generation Z, but at some point, it's not going to be Generation Z in too long. So, the age split has been pretty consistent for Docs.

And then the question on what product do they buy. You know, really interestingly we have a clear consumer segmentation that we operate under and we've got many consumers who come in and they're buying the 1460 and they're going to their first festival. And then we have other consumers who are coming in through a collaboration. So, icons and innovation are just as important for the Gen Z consumer as they are for other age groups.

Mark Nichols – Jupiter

Hi. Mark Nichols from Jupiter. So, less than 3 percent of revenues come from the collaborations and they're at about 100 percent price premium. You gave an example of the product that sold out in two minutes. So, I guess the question is, should you have made more of them and is 3 percent the right number?

Darren Mckoy – Dr. Martens – Creative Director

Fundamentally, collaborations have been about driving the brand heat as we've mentioned before, and really that cascade strategy that I refer to in my presentation. In terms of the percentage, it could be a bigger percentage over the longer term if we were to look at that. But at this moment in time, the fundamental focus is really about driving energy to cascade to the wider part of the business and brand.

Adam Meek – Dr. Martens – Chief Product Officer

I would just add that then scarcity is really important - a really important component of that. And so, looking --and that's why Darren mentioned kind of the speed of sell-through. And I think that is a really important metric that we look at.

Kenny Wilson – Dr. Martens – CEO

Yeah. I mean, you and I have had this conversation before, Mark. I mean, I think, you know, what we've been debating internally is, to the points Adam and Darren have just made, we want to maintain scarcity for sure. And you know, we don't want to make too many of any of these collaborations but I think some of the sell-throughs are too fast. So, as Darren's just alluded to, we're having an internal conversation about what's the right number? Three's probably a little bit too low, but we don't want them to be too big because this is about getting them out there. They sell fast, the demand is high, the second-hand market is high and it just creates brand heat and makes, you know, a lot of partners come to us and want to work with us. So, higher, but not astronomically higher is probably the honest answer.

Mark Nichols – Jupiter

And just a second one that's slightly different. But on slide 62, which had the brand positioning in the survey responses, there's obviously no time series there. So, I'm sort of curious where you're actually maybe seeing a difference over time or, you know, other responses changing over multi-year period?

Kenny Wilson – Dr. Martens – CEO

You want to talk first, Meg?

Meg Johnson – *Dr. Martens – Chief Marketing Officer*

Yeah. You know, it's interesting. I think one of the important ways we look at this actually is geography. We look at this across wearers and non-wearers. So, you know, we're a 63-year-old brand and actually, you know, as the first CMO coming in, that the brand itself is known for things and that hasn't changed much over time. So, I'm trying to think how far I've looked back at this. I'm not sure I could answer your question about how much this has changed. My guess is it hasn't changed a lot. But we are very clear on the things that we want to stand for and the things that will keep our differentiated brand position. And we make sure we look at this in key cities as well as overall geographies. But I don't think there's been a huge change over time.

Kenny Wilson – *Dr. Martens – CEO*

I mean, at this level, Mark, I mean, obviously I've got five years of history, and the brand marketing monitor that we've got here has been in place for most of those five years. There's not a massive move at the headline level anywhere. But as Meg said, I think the thing we're looking for - you know, people often ask, why are we tracking all these metrics? Because what we're looking at is to say, is there something happening with any consumer segment anywhere in the world? You know, we would worry if we started to lose, "makes me feel confident," for example. Because, you know, one of the whole things that rebellious self-expression is all about is how you feel when you put the product on but at the macro level, no, there's not been any significant movements across the last five years.

Doriana Russo – *HSBC*

Good afternoon. Doriana Russo from HSBC. My question is about how you get to know your consumers and how have they changed over time. I remember the time at the IPO, a lot of your knowledge was based on external surveys run by a third-party company. I wonder now after a few years, what sort of data are you able to collect? How much are you confident about the data that you have? And what sort of future investment do you plan to make in order to make that knowledge proprietary to use only?

Kenny Wilson – *Dr. Martens – CEO*

What we've always said is if you shop online, we know everything about you. But that's an incomplete data set. And obviously, first party data is becoming more and more important. Meg's actually leading a project at the moment where - and we mentioned this in our June presentation, where we're looking at the implementation of a customer data platform because we want to have a single view of our consumer.

So, if you're shopping in a Dr. Martens store in Paris, and then you're here for the weekend and you're buying in Carnaby Street, we want to know about you just as much as we want to know about, you know, the fact that you've bought online. So, over the next 18 months, let's say, we'll be implementing that next piece of the jigsaw so that we start to get a clearer view of the consumer. Do you want to add anything?

Meg Johnson – *Dr. Martens – Chief Marketing Officer*

Yeah. I think that's one piece of it, our first party data, which is our current wearers. And we need to make sure that we're continuing to stay relevant to them but in order to achieve our growth objectives, we need to bring in new wearers. So, I mean, I was really impressed when I came in at the brand tracking that we had. We run it quarterly across all of our top markets. That is an incredibly valuable source of information.

But what's important is to marry that quant data with qual to really get to the why. You know, why is this metric important to you? Why did you choose us over another brand? And so that qualitative data is really important. And I think that's something that we will be doing more of as we look to the future.

Kenny Wilson – *Dr. Martens – CEO*

And I think the last thing I'd add to that, Doriana, is we also do, you know, work with consumer panels. You know, Darren was recently out in New York where we did some work with young people in New York to see what's super important to them and also get a qualitative impression about what they were talking about around Dr. Martens.

Doriana Russo – HSBC

And in fact, my second question would be -- I mean, you spoke a lot about consistency between product and marketing. But I'm sure there are inconsistencies across regions in terms of, you know, why and how people shop Dr. Martens. Do you do some adaptation of your marketing strategy in order to make sure that you reach the correct niche of market -- of consumers?

Kenny Wilson – Dr. Martens – CEO

Yeah. I mean, I'll kick off and then I'll hand over to Meg. I mean, you know, we're set up in a way that enables us to be a global brand that can activate locally. I mean, that's how we're set up. So, you know, we've got a global central team here for the brand led by Meg. And then we've got America's vice president of marketing. We've got European vice president of marketing. We've got country teams across Europe. We've got an Asia vice president of marketing. But we've got a VP of marketing in Japan, in Korea, et cetera and we understand that there's a balance where you want to get global commonality where you can, and you want to be able to reflect the market and cultural differences that are just there. Japan is not Italy obviously. But I think, you know, one of Adam's slides was quite tell-tale in that. When I joined Dr. Martens, I got told, "Oh, we're different in America." The reality is, since we've had a direct consumer business, what you can see is the best sellers are the best sellers because that's what Dr. Martens stands for. So, we try and get that right balance between being a global brand but being able to market locally.

Meg Johnson – Dr. Martens – Chief Marketing Officer

Yeah and I would just add the how of the marketing is probably the thing that changes. So, we have a global strategy with global priorities. But how we market, you know, the wheel, the funnel, are different - what the social channels are in the US versus Europe versus Japan are very different. So, how we get our messages across, how we engage with consumers may be different, but the strategies are consistent.

Adam Meek – Dr. Martens – Chief Product Officer

Yeah. And then just to finalise from a product perspective as well, we have teams that are also sat in the regions that are, you know, giving us insight and data from their marketplaces. But again, the focus is to build the core around kind of what the global team are creating in collaboration with the regional teams. But then when we do have local nuance, it's making sure that we can also drive an element of hyper locality as well.

Kayvan Larizadeh – Pelham Capital

Thank you. Hi, guys. It's Kayvan at Pelham Capital. I have a few questions please. I guess the first maybe for Meg. So, obviously Docs has never used or paid influencers, as we've discussed. I'd be interested if there's any dissentment either from you or in your team as to whether that remains the right strategy. I guess even LVMH is paying football players a lot of money. There's a lot of - I don't know if Birkenstock paid for their Barbie placement, but they're IPOing on the back of it so, there's obviously something to be said for paying people.

The second question is for Adam. I guess there's been a trend recently towards all of us wearing more comfortable product. Post-covid, we all wear Lululemons to work and things like that. Do you feel like the product is comfortable enough? And is there any innovation you are thinking about there? I guess one of the things I often hear from people who wear Docs is they're amazing once you break into them but take some time to do that.

And then I guess on the third point, one of the stories of the last 12 months has been, you know, the European business being fantastic and the US business, sort of, you know, perhaps requiring a bit more work from either a product or a marketing perspective. I would be interested in your thoughts on why the differences between the regions from your perspectives.

Meg Johnson – Dr. Martens – Chief Marketing Officer

Yeah. Why don't I start with the question around celebrities and influencers. You know, we have always had a strategy that we will not pay celebrities to wear our products. We do partner with cultural innovators, with brands. You saw the Made Strong work. We partner with influential people to co-collaborate. But we are lucky enough - I mean, Darren

talked about it - we are so lucky with this brand, that many high-profile celebrities and influencers want to wear this brand. We're a very authentic brand. We're 63 years old and we were not built by paying other people to tell consumers what this brand is about. So, I feel very strongly that we need to maintain that authenticity.

Adam Meek – Dr. Martens – Chief Product Officer

And then taking the second question around comfort. I think comfort is kind of a combination of many things and I think the first thing I would say is that, you know, our product has stood the test of time and consumers wear it and as Meg showed some of the data, they wear it every day or many times of the week.

But in a lot of our collection you also will see, you know, soft leathers to kind of have the instant gratification of the feel, footbed innovation, compound innovation. So, we do have a really great balance of that. But I think it's also really important that our consumers are wearing our product almost every day, which to me shows that they're very comfortable.

Meg Johnson – Dr. Martens – Chief Marketing Officer

And then regarding your question around EMEA versus Americas. I think - you know, there's a couple of things. One - and I talked about building the modern marketing engine - actually, we have a much more mature marketing team than we have had in Europe. And I think as we've talked about, we've just hired a new vice president of marketing in the Americas. I think that's one of the things.

The other thing is that our strategy of boots and shoes and sandals is something that we've really followed in EMEA. And an example of that being one might think that consumers don't wear boots in the summer, but the Dr Martens 1460 and the Jadon boot is the festival boot and so, we have had a strategy of showing up at festivals throughout the summer in EMEA. In the Americas, we saw amazing growth in shoes and sandals, and we really built those categories. But we probably took our eye off the ball a little bit on boots. And again, these are things that we're rectifying and making sure that the strategy is being executed in all of the markets.

Adam Meek – Dr. Martens – Chief Product Officer

And that that's the same from a product perspective. We're making sure that we truly focus on innovation around boots, as well as, you know, driving sandals, as well as shoes as well. So, building that balanced portfolio of wearing occasions but innovation around boots is our number one priority.

Alison Lygo – Numis

Hi, Alison Lygo from Numis. Could you just talk a little bit about how you think about kind of getting the volume and the innovation right into sort of silhouettes that are kind of surging in popularity? So, if you think about like the mule, obviously overall that silhouette has been really popular over the last couple of years. How do you go about making sure you've got the right level of kind of buy and innovation going forward, kind of with the lead times you've got? Obviously, the growth was huge and you kind of captured a lot of that. But you must have had to have kind of known some of that was coming to kind of get the buy in the right place. So, just interested in how you kind of think about that and kind of plan for that.

Adam Meek – Dr. Martens – Chief Product Officer

Yeah. So, I think firstly our philosophy is around looking to the archive for inspiration. So, we have, you know, some incredible product that sits within our archive. And we have a big focus around looking at, you know, different wearing occasions to encourage consumers to wear Docs for different situations.

We also kind of try and balance that kind of art and science and making sure they're very creative. But you know, we're also looking at trajectories of lifecycle management, franchises. Looking at kind of macroeconomic trends which influence what consumers are wearing and buying. And it's that marrying of the two that's really important. And then it's the whole marketplace management of how we create longevity through it that is kind of the vital element of it.

Alison Lygo – *Numis*

So, if we're thinking a year out, we should expect to be seeing more in terms of, like, silhouettes, kind of innovation in that sort of shape from you guys. That would be kind of how you're sort of thinking about it.

Adam Meek – *Dr. Martens – Chief Product Officer*

In sandals and mules in particular?

Alison Lygo – *Numis*

In the - yeah. I guess just thinking about something that's surged in popularity and then you know.

Adam Meek – *Dr. Martens – Chief Product Officer*

So, if you think about sandals currently, they're 9 percent of our revenue.

Alison Lygo – *Numis*

Yeah.

Adam Meek – *Dr. Martens – Chief Product Officer*

And so, we feel there's a huge opportunity for growth there. So, what we are looking at is, again, our archive to look at what we can take from that and build into the future. So, you're definitely going to see more within that space in the world of sandals, because we think there's a great growth opportunity there.

Kenny Wilson – *Dr. Martens – CEO*

Yeah. I mean, as Adam said in his presentation, we're number one in boots, but we're number 14 in sandals. And the company's got heritage in sandals, so we can graft off our past. He also talked about the fact we're about to invest in some key design talent that's got really good understanding of that market. So, we believe it's something just because of the scale of where we are as a company, that it's a huge amount of white space ahead of us in that category.

Alison Lygo – *Numis*

Great.

Piral Dadhania – *RBC*

Hi. Piral Dadhania from RBC. Thank you for the presentations. I have a question on SKU productivity. So, naturally a lot of your revenues come from a very small number of SKUs. But you spend a lot of time obviously innovating and creating units around the long tail of the architecture, if you like. My question is twofold. Number one, has the number of products in the range changed significantly over the last five years? And number two, how do you manage the resource allocation that you put into the long tail, which doesn't generate significant amount of revenues versus how much you focus on the volumes that you can grow in the core products?

Kenny Wilson – *Dr. Martens – CEO*

So, I'll give you the headline response and then Adam will know the detail and can build upon it. Your question was, you know, we do a lot of innovation, has the range effectively proliferated over the last five years? It's actually completely the opposite. So, the philosophy that we build the range on is edit to amplify. I.e., if you create too much choice, people can't see the things that you really want them to get after. You know, Meg talked about big bets. So actually the collection has come down every year in terms of the amount of product codes we've had in the five years I've been at Dr. Martens. So, it's about having a smaller range.

Adam Meek – *Dr. Martens – Chief Product Officer*

Yeah. And so, the reduction has been quite drastic, and it's because we're really targeted. And one of the key strategic

drivers at the moment is around segment to grow. So, different product for different consumers. But you build heroes within those spaces and then you build depth behind those hero styles rather than a proliferation of styles themselves. And so, by doing that, it's allowed us to be really focused but also really clear to the consumer.

Meg Johnson – *Dr. Martens – Chief Marketing Officer*

I think what that also has allowed us to do as we've shrunk the line is to invest in very small run things. You know, you had the question. We've invested in those and those are the things that are driving the heat and they have such an amazing halo effect on the rest of the brand.

Kate Calvert – *Investec*

Kate Calvert from Investec. Are you selling your boots too cheaply, do you think? And how far the price range do you think your customers will allow you to go? And the second question is, are you finding that your customers are now buying more regularly over time?

Kenny Wilson – *Dr. Martens – CEO*

So, the first one, are we selling too cheaply? I mean, I think we're pretty rigorous around pricing studies and effectively, you know, it varies market-by-market but we try and always make sure that with the value for money chart, we try and make sure that we're delivering value for money to consumers. And, you know, we believe that's the case. That's what all of the research is telling us. That we've got that price value equation right.

I think the key thing that we're focusing on in the go forward - and Adam demonstrated it with these 1461 with the extended price architecture. This is about saying how can we encourage the consumer to trade up to a softer leather with a comfort insole? Or how can we enable you to buy a collaboration at a higher price point? So, part of our average selling price growth has come from price increases. As we've talked historically, 6 percent in the last year. But really what the team is trying to do with the innovation is trade people up the architecture.

Meg Johnson – *Dr. Martens – Chief Marketing Officer*

And then the question you had regarding more regularly over time, I think what we do know is the number of purchases, so the number of pairs of Docs. And those consumers who own one pair of Dr. Martens and those consumers who own multiple pairs of Dr. Martens, we are growing both of those groups. And we are growing faster with those who own multiple pairs. So, it's not fully answering your question because I haven't got the data to mind but I know that multiple pairs is something that we are seeing.

Kenny Wilson – *Dr. Martens – CEO*

Yeah. I mean, back to the earlier question. That's one of the reasons we want to get the customer data platform in place, Kate. Because we're dealing with imperfect data and we believe that if we can improve that data set, we'll have a greater understanding of our consumer base and be able to market to them more effectively.

Bill Casey – *Schroders*

Hi, guys. Just one more for me. Such a durable product, you know, it can last decades. How big is the second-hand market in terms of volume compared to your yearly volumes in terms of pairs? I'm guessing it's huge or possibly. And how - and you gave us an insight into how you were tapping into that with repair shops. How much of the second-hand market do you think you are capturing?

Kenny Wilson – *Dr. Martens – CEO*

So, I think we honestly don't know how big the second-hand opportunity is. I mean, as Tuze mentioned, we did the Depop trial because one of the core propositions is it's a very durable product. And we were like, people will want to continue the journey of the product. You know, someone's finished with it, but I take it on and I write my own story in it. The Depop trial was super encouraging. So, therefore, hence the reason why we've set up the Rewair trial for the United States for next year.

I think somebody gave the stat. We know that 40 percent of people in the United States have bought second-hand product in the last year. So, second hand is big. But the honest answer is we don't know what we don't know. But what we do know is that this is really important to our consumer base and we believe it can be a really good medium-term revenue opportunity for the company. But the team will do the trial next year and then maybe a year from now we'll be able to give you a more scientific answer but intuitively it just feels something that's very important for this brand to do.

Bill Casey – *Schroders*

It sounds interesting.

Kenny Wilson – *Dr. Martens* – *CEO*

Any more for anymore before we close? Great. Well thank you very much to you all for coming today and for giving us your time. We really appreciate it. And hopefully everyone leaves at least knowing a little bit more about the Dr. Martens brand than before you arrived. Thank you very much indeed.

[end of transcript]