TRANSCRIPT OF QUESTION & ANSWER SESSION

Question: Given the challenging macro environment, how would you evaluate the company’s performance coming out of the first year of your multi-year strategic plan?
Answer: Thank you for your question. Well, first I'd say we’re really encouraged by our team’s ability to execute on our long-term plan even through a highly dynamic global operating environment. We finished the first year of our Next Great Chapter: Accelerate plan with revenues above our multi-year guidance and with profitability on track.

So, our confidence looking ahead is really grounded in a number of unique strengths, which are particularly relevant in the choppier environment. And they are first a brand that people love and desire and that we continue to invest in.

Second, core products that consumers know and trust that aren’t based on seasonal fashion or trends. Third, strong operational fundamentals and balance sheet. Fourth, multiple growth levers across product categories, geographies and channels. And finally, a proven ability to flex, to consumer demand around the world. So these factors give us broad confidence as we continue to execute with agility on our multiple growth drivers to deliver long-term growth and value creation.

Question: Is the logistics crisis over for the sector?

Answer: We closed out this past fiscal year in a strong position from a logistics perspective. And I’m really incredibly proud of our team in managing through this difficult time period. The strong partnerships we've built with both our suppliers and our carriers around the world has enabled us to navigate post pandemic supply chain disruptions well.

We took market share and frankly, we out executed many of our peers. And that’s important because every day seems to present a new logistics challenge from labor negotiations at the ports to driver shortages, to potential strikes with UPS that you’re all reading about. Our teams are managing with incredible agility and dedication to navigate these challenges to get our products to the right place at the right time.

With that, I am happy to say that our lead times have normalized significantly and are comparable to pre-COVID levels ex-factory, and within a few weeks of pre-COVID levels in transit. And our fiscal 2024 guidance includes about a hundred basis points benefit from our lower ocean freight costs following two years of higher freight cost headwinds.

Question: Ralph Lauren Corporation pledges to offer timeless designs created through responsible sourcing. The Company believes that true luxury encompasses how a product was made. Based on the findings of PETA Asia’s recent investigation into the cashmere industry’s sourcing practices, the organization raises concerns regarding responsible cashmere. When will Ralph Lauren embrace its own definition of true luxury and drop cashmere?

Answer: At Ralph Lauren, we are very clear on how we treat animals in our supply chain. Our principles and our approach are covered in our comprehensive animal welfare policy, which is publicly on our corporate website and was updated most recently in April.
Our policy commits us to the respectful treatment of animals, which we believe together with other practices can contribute to species conservation and the protection of ecosystems. We are aware of the PETA report. We, along with other sustainable fiber alliance members, await additional information that would better help us assess the situation and if appropriate to take action.