

Two young women are standing in a factory or warehouse setting, smiling at the camera. The woman on the left has blonde hair and wears glasses and a blue and white plaid shirt over a dark top. The woman on the right has brown hair and wears a blue and white plaid shirt over a white t-shirt with a colorful graphic. The background shows industrial equipment and shelves.

# A SUSTAINABLE APPROACH

**AT DR. MARTENS, WE ARE  
COMMITTED TO LEAVING  
THINGS BETTER THAN  
WE FOUND THEM.**

In last year's Annual Report, we set out Dr. Martens long-term sustainability Commitments. Since then, we have been working to embed our Commitments through our new Planet, Product, People sustainability strategy.

This year, alongside our sustainability update, we are reporting our findings against the Task Force on Climate-related Financial Disclosures (TCFD) framework for the first time, which gives an overview of our carbon risks and opportunities. We also continue to align our Sustainability report against the Sustainability Accounting Standards Board (SASB) reporting standards.

The Dr. Martens Sustainability team act as champions for sustainability throughout the business. As the subject matter experts, they work across teams to support the business functions in embedding sustainable practices.

Our efforts to drive the sustainability strategy are supported by ongoing engagement with stakeholders to ensure we remain responsive to their priorities and concerns (page 22).

As we continue on our journey, we remain focused on identifying and acting on the opportunities where we can add value. This is with the ultimate ambition to leave things better than we found them.

→ OUR TCFD DISCLOSURES **P90**

→ SASB REFERENCE TABLE **P88**

### EMBEDDING SUSTAINABILITY IN THE DOCS STRATEGY

More broadly, we are working to integrate sustainability across all parts of the business. In 2022, we updated our DOCS corporate strategy to help ensure that sustainability is embedded across the relevant pillars. Previously, our sustainability strategy sat within the 'Consumer Connection' pillar.

The movement of sustainability into more business areas and projects is not only symbolic, it will help ensure that sustainability becomes an operational requirement for all functions delivering our Commitments.

→ DOCS STRATEGY **P28**



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# A MESSAGE FROM OUR SUSTAINABILITY LEADERSHIP



We're making the changes that are needed today, whilst also investing in the future of the business.

At Dr. Martens, we take our responsibility to the planet and our people seriously. Over the past year, we have been working hard to set ourselves up for success, with our guiding principle being "to leave things better than we found them."

Our vision for a business with sustainability at its core is clear in the development of our business strategy, DOCS – as sustainability now underpins the wider strategy as an integral theme running throughout.

This year, we carried out extensive internal stakeholder engagement to launch our new sustainability strategy – Planet, Product, People – and to develop the detailed roadmaps towards achieving our long-term Commitments.

Taking action to limit our climate impact has been at the forefront of our approach this year. The urgency of the situation has only been further highlighted by the recent Intergovernmental Panel on Climate Change report. Our major focus

has been to build the internal expertise and baseline our operational and full value chain emissions. Identification of our carbon impact areas has underpinned the development of our future plans.

Since we published our last report, we have also seen great progress in other areas. We achieved our goal to source 100% of our leather from Leather Working Group tanneries, our core shoe box design has been optimised to use 25% less material, and we have been working to launch our first repair for resale trial – ReSouled. We're making the changes that are needed today, whilst also investing in the future of the business.

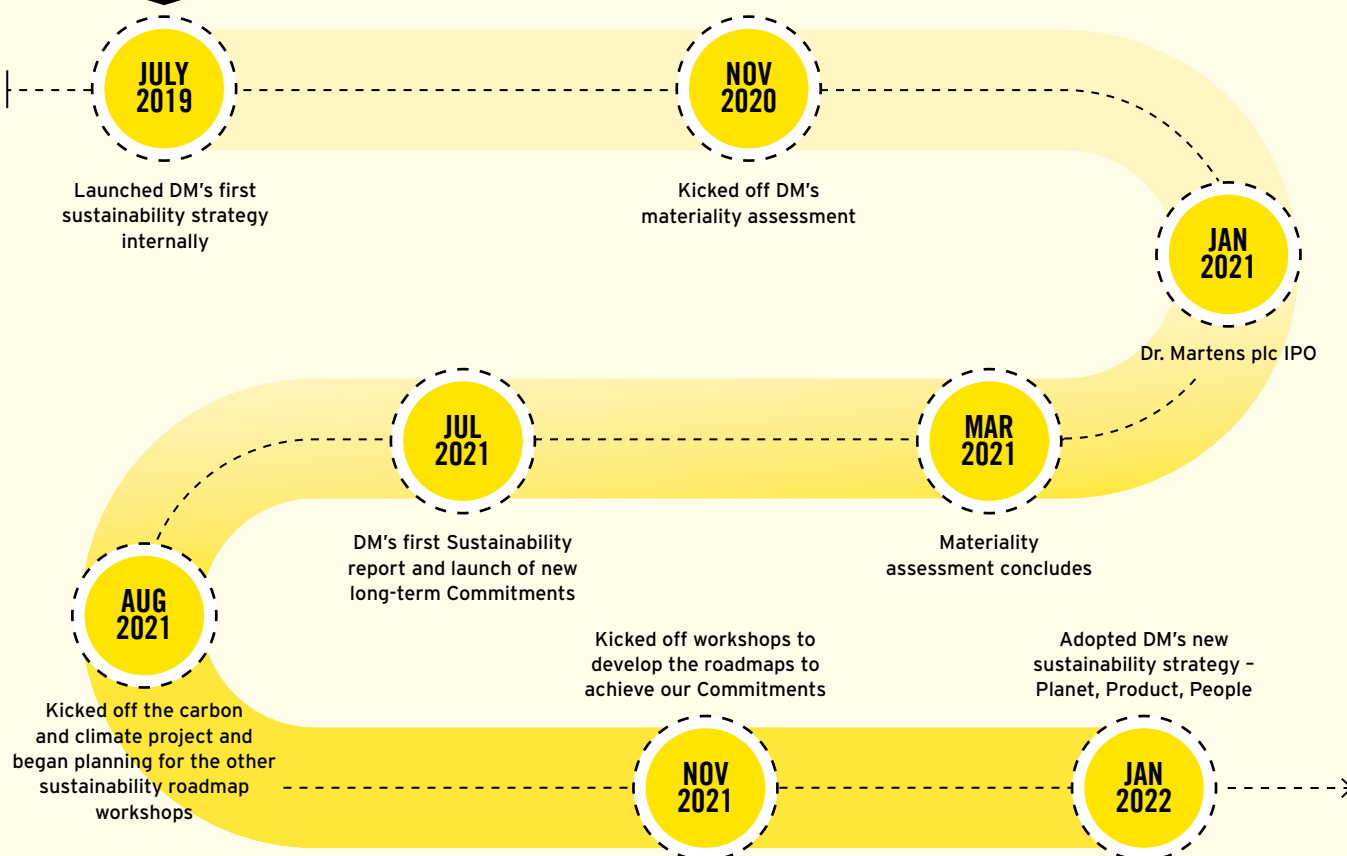
We hope you enjoy this – our second Sustainability report – which provides an update on our progress throughout FY22.

**KENNY WILSON**  
CHIEF EXECUTIVE OFFICER

**EMILY REICHWALD**  
GENERAL COUNSEL, COMPANY  
SECRETARY, SUSTAINABILITY GLT LEAD

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## OUR SUSTAINABILITY JOURNEY SO FAR:





# ACHIEVEMENTS

## GENERAL

**D O C S**

Sustainability integrated into the DOCS business strategy



Launch of our new sustainability strategy - Planet, Product, People



Developed the roadmaps to help us achieve the sustainability Commitments outlined in our Annual Report last year

## PRODUCT



Developed ReSouled, our repair for resale business model trial<sup>1</sup>



Optimised our core shoe box design to use 25% less material



**100%**

of our leather was sourced from Leather Working Group certified tanneries

1. To be launched in April 2022.

2. Audit results above 75% scoring, in line with Intertek Workplace Conditions Assessment scoring methodology.





# IN FY22

## PLANET



Assessed our  
Scope 1, 2, and 3  
carbon emissions



Committed to the  
Science Based Targets  
initiative (SBTi) 1.5°C  
trajectory



## PEOPLE



### 100%

of our Tier 1 suppliers  
achieved the highest  
rating in the CSR audit<sup>2</sup>

Launched our  
DE&I strategy

Our Made In England  
apprenticeship scheme  
entered its tenth year



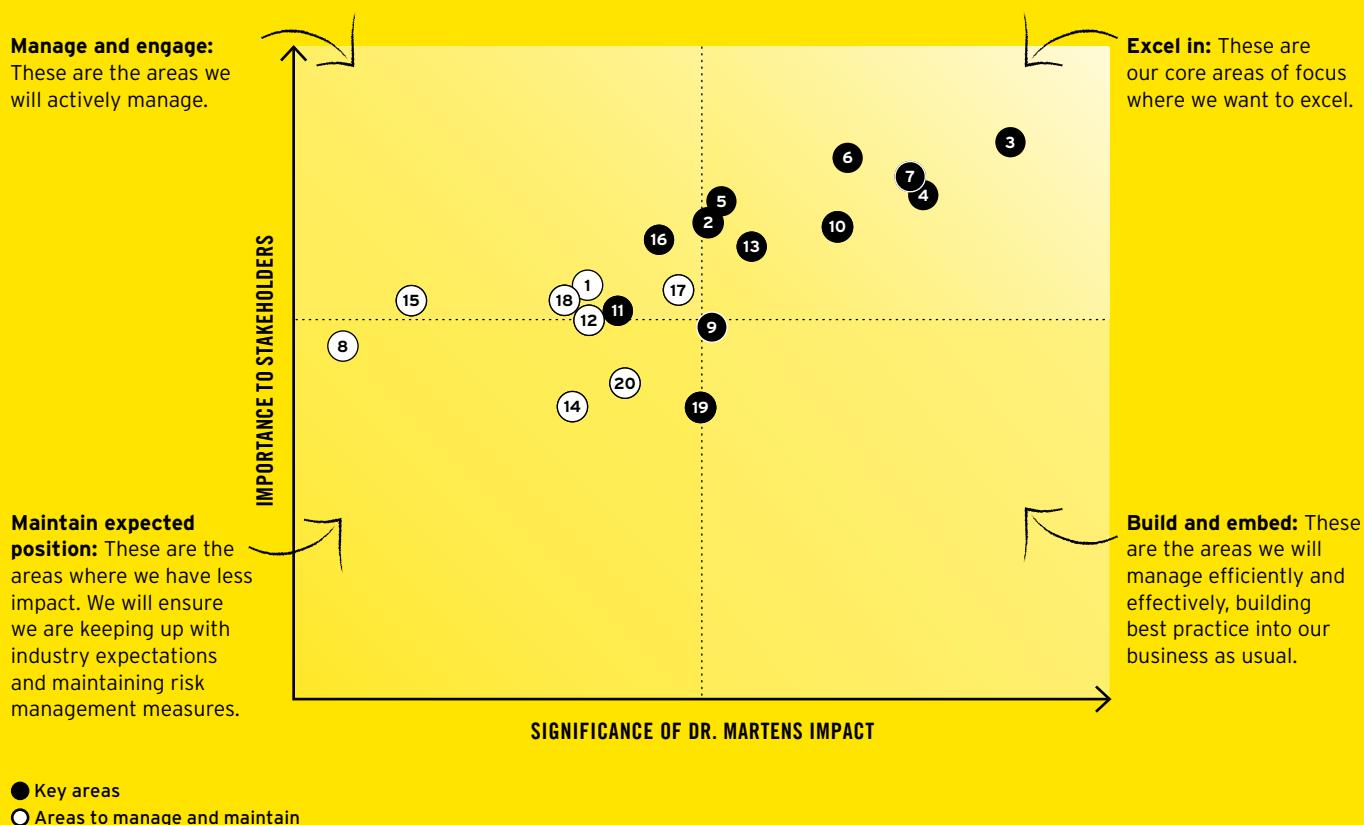
The Dr. Martens Foundation  
donated

### £735,830

to 41 organisations working  
to advance social justice

## MATERIALITY ANALYSIS SUMMARY

In 2021, we concluded an in-depth materiality assessment to identify the environmental and social issues that are most significant to Dr. Martens. This work formed the basis for the development of our long-term sustainability Commitments, and it enables us to focus our resources and efforts in the areas where we can make the most impact.



### THE MATERIALITY ANALYSIS HELPED US DETERMINE KEY AREAS WHICH FORMED THE BASIS OF OUR COMMITMENTS:

- |  |   |   |
|--|---|---|
| <ul style="list-style-type: none"> <li>2 Land, biodiversity and ecosystems impacts of raw material production.</li> <li>3 Environmental impacts from supply chain manufacturing processes.</li> <li>4 Modern slavery, human rights and labour rights in the supply chain.</li> <li>5 Circular economy (resource efficiency, durability, repair, end of life).</li> </ul> | <ul style="list-style-type: none"> <li>6 Innovation in design and sustainable materials.</li> <li>7 Chemicals management and product compliance (product safety).</li> <li>9 Packaging materials and design.</li> <li>10 Responsible treatment of suppliers.</li> <li>11 Energy and climate (Net Zero and climate risk).</li> </ul> | <ul style="list-style-type: none"> <li>13 Waste management (reduction and recycling).</li> <li>16 Diversity, equity and inclusion.</li> <li>19 Volunteering, charitable support and local communities.</li> </ul> |
|--|---|---|

#### OTHER AREAS TO MANAGE AND MAINTAIN

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>1 Animal welfare.</li> <li>8 Local procurement.</li> <li>12 Air and water management and impacts.</li> <li>14 Store concept: resource efficiency and sustainable materials.</li> </ul> | <ul style="list-style-type: none"> <li>15 Job creation, human capital and employee development.</li> <li>17 Pay, employee wellbeing and benefits.</li> <li>18 Occupational health and safety.</li> <li>20 Economic and social development in supply chain communities.</li> </ul> |
|---|---|



### Developing the roadmaps:

Starting in November 2021, we held five workshops, facilitated by a specialist external sustainability consultant and involving more than 40 internal stakeholders, to develop roadmaps which would help us on the journey to achieve our Commitments.

The purpose of these sessions was to engage the right stakeholders from the business with our new sustainability strategy and to develop clear next steps. We also needed to capture and continue the momentum of the existing sustainability initiatives from the previous five pillar strategy.

Each roadmap includes:

- Milestone plans for each workstream with actionable next steps.
- Key performance indicators (KPIs) to help track progress towards our Commitments.
- Delivery dependencies and risks to support with successful delivery.

**By March 2022, we had completed roadmaps across the following key areas:**

#### → CLIMATE

#### OPERATIONS

- Supplier practices.
- Waste.
- Chemicals.

#### MATERIALS

- Sustainable materials.
- Leather.
- Deforestation.

#### PACKAGING

- Sustainable packaging.

#### LIFECYCLE

- Useable life.
- End of life.



In parallel, we have been working with the Carbon Trust to map our carbon emissions and develop our Net Zero Commitment (page 66). In March 2022, the Climate roadmap was aligned and integrated across the wider strategy structure. In FY23 we will begin to implement the roadmaps as we progress towards our long-term Commitments.

We also continued with work across the additional key areas identified in our materiality assessment of 'Modern slavery, human rights and labour rights in the supply chain' (page 84) and 'Volunteering, charitable support and local communities' (page 85). For both of these areas we have been developing our approach outside of the roadmapping process.

The DE&I team have also been working to develop the DE&I strategy, which launched in May 2021. Find out more on page 81.

### KPI DEVELOPMENT:

As part of the roadmapping process we developed KPIs for which we are aiming to report baseline data in upcoming reports. Some of these include:

- Percentage (%) of Tier 1 suppliers with an environmental certification.
- Percentage (%) of vegan range with upper material that meets DM's sustainable material standards.
- Percentage (%) of packaging materials meeting DM's sustainable materials standards.

A key short-term focus is to implement the necessary data systems to accurately monitor progress against our KPIs.

### LINKING EXECUTIVE REMUNERATION TO OUR SUSTAINABILITY COMMITMENTS:

Our executive bonuses are linked to ESG performance targets. In FY22, the strategic element of the executive bonus was linked to the successful delivery of the sustainability roadmaps and DE&I strategy.

Find out more in our Remuneration report on page 147.

# OUR SUSTAINABILITY STRATEGY




## Developing Planet, Product, People:

In 2022, we launched our new Planet, Product, People sustainability strategy. This captures our eight key areas which were based on the material issues identified in the materiality analysis (page 60).

The ultimate success of our sustainability approach requires efficient cross-functional collaboration. The new Planet, Product, People sustainability strategy will help facilitate a more integrated approach to our sustainability management, supported by coordinated internal engagement.



## OUR COMMITMENTS

<b>PLANET</b> 	<b>PRODUCT</b> 	<b>PEOPLE</b> 
<p><b>CLIMATE</b></p> <ul style="list-style-type: none"> <li>Energy and climate <b>Commitment:</b> Net Zero target to be validated by SBTi in FY23<sup>1</sup>.</li> </ul> <p><b>OPERATIONS</b></p> <p><b>Waste</b></p> <ul style="list-style-type: none"> <li>Waste management <b>Commitment:</b> Minimise waste, and ensure zero waste to landfill across the full value chain by 2028.</li> </ul> <p><b>Chemicals</b></p> <ul style="list-style-type: none"> <li>Chemicals management and product compliance <b>Commitment:</b> Support suppliers to adopt best practice chemical management by 2025.</li> </ul> <p><b>Supplier practices</b></p> <ul style="list-style-type: none"> <li>Environmental impacts from supply chain manufacturing processes <b>Commitment:</b> Environmental certification standard to all Tier 1 suppliers by 2025.</li> </ul>	<p><b>MATERIALS</b></p> <ul style="list-style-type: none"> <li>Innovation in design and sustainable materials <b>Commitment:</b> 100% of footwear made from sustainable materials by 2040.</li> <li>Land, biodiversity and ecosystems impacts of raw material production <b>Commitment:</b> 100% of the natural materials in products from regenerative agriculture by 2040.</li> </ul> <p><b>PACKAGING</b></p> <ul style="list-style-type: none"> <li>Packaging materials and design <b>Commitment:</b> 100% packaging from recycled or other sustainably sourced material by 2028.</li> </ul> <p><b>LIFECYCLE</b></p> <ul style="list-style-type: none"> <li>Circular economy (resource efficiency, durability, repair, end of life) <b>Commitment:</b> 100% products sold have sustainable end of life option by 2040.</li> </ul>	<p><b>DE&amp;I</b></p> <ul style="list-style-type: none"> <li>Diversity, equity and inclusion <b>Commitment:</b> To be achieved within three to five years:</li> </ul> <p><b>Ethnicity</b></p> <ul style="list-style-type: none"> <li>30% underrepresented communities<sup>2</sup> in senior leadership roles (GLT and direct reports).</li> </ul> <p><b>Gender</b></p> <ul style="list-style-type: none"> <li>50% women in senior leadership roles (GLT and direct reports).</li> <li>Increase non-binary colleagues from 2% to 4% globally.</li> <li>Increase male representation across our retail stores to 40%.</li> </ul> <p><b>HUMAN RIGHTS</b></p> <ul style="list-style-type: none"> <li>Modern slavery, human rights and labour rights in the supply chain: We have been developing our approach in this area through our CSR monitoring programme and modern slavery programme.</li> </ul> <p><b>COMMUNITY</b></p> <ul style="list-style-type: none"> <li>Volunteering, charitable support and local communities: We continue to progress in this area through our work with the Dr. Martens Foundation.</li> </ul>

### RELEVANT UN SDGS

    	 	  
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1. In last year's Annual Report, we disclosed our commitment to achieve Net Zero by 2030. Since then, the guidance for setting Net Zero targets has been updated by the Science Based Targets initiative (SBTi). As a result of this, we are committed to achieve 90% reduction in absolute GHG emissions by 2030 for our Scope 1 and 2 emissions (from a 2020 base year) which is aligned with a 1.5°C future and to the requirements for Net Zero targets set out by the SBTi. We are awaiting the updated guidance for our sector from the SBTi in order to submit our targets and set our Scope 3 emissions Commitment, as advised by the SBTi (expected later in 2022). We look forward to sharing our targets and the progress against them following submission and validation.

2. Black, Asian & Latinx.











# MAPPING OUR COMMITMENT TO THE SDGs

Alignment with the global sustainability agenda is key to driving progress. In early 2022, we carried out an assessment to better understand which UN Sustainable Development Goals (SDGs) and related Targets matter most to DM's and our stakeholders. Carried out by an external consultant, the structured, score-based assessment focused on how each SDG and Target relates to:

- Our material sustainability issues, as identified in our 2021 materiality assessment.
- Our new Planet, Product, People strategy and its related KPIs.
- The Dr. Martens brand.
- Our impacts on relevant SDGs and Targets (current and future).
- Industry sustainability frameworks.
- Peer brands, including a review of cited SDGs.

We used this scoring to prioritise the SDGs and Targets and identify those that are most relevant to us and our stakeholders (see table below). This process will guide our ongoing efforts to actively support the global SDG agenda in a meaningful way.

SDG GOAL	RELEVANT UN TARGETS	OUR RELEVANT COMMITMENTS	2021 HIGHLIGHTS
	3.9	<ul style="list-style-type: none"> <li>• Minimise waste and ensure zero waste to landfill across the full value chain by 2028.</li> <li>• Environmental certification standard to all Tier 1 suppliers by 2025.</li> <li>• Support suppliers to adopt best practice chemical management by 2025.</li> </ul>	<ul style="list-style-type: none"> <li>• Conducted R&amp;D for leather waste solutions and installed machinery at our Made In England manufacturing site to recycle PVC waste back into the outsole moulding process (page 71).</li> </ul>
	5.1 5.2 5.5	<ul style="list-style-type: none"> <li>• See all ethnicity and gender DE&amp;I Commitments (page 81).</li> </ul>	<ul style="list-style-type: none"> <li>• Launched our DE&amp;I strategy and global learning programmes (page 81).</li> </ul>
	6.3 6.4	<ul style="list-style-type: none"> <li>• Environmental certification standard to all Tier 1 suppliers by 2025.</li> <li>• Support suppliers to adopt best practice chemical management by 2025.</li> </ul>	<ul style="list-style-type: none"> <li>• Began engagement with Tier 1 suppliers to baseline those with an environmental certification standard (page 69).</li> </ul>
	8.4 8.5 8.7 8.8	<ul style="list-style-type: none"> <li>• All Tier 1 suppliers continue to be audited and rated over 75% in externally conducted CSR audits.</li> <li>• At least 90% Key Tier 2 suppliers are rated above 70% in externally conducted CSR audits by 2023.</li> <li>• DE&amp;I Commitments (page 81).</li> </ul>	<ul style="list-style-type: none"> <li>• All audited Tier 1 suppliers achieved the highest rating in the externally conducted CSR audits. We continued to extend CSR audits across our Key Tier 2 suppliers (page 70).</li> <li>• See DE&amp;I highlights above.</li> </ul>
	10.2 10.3	<ul style="list-style-type: none"> <li>• See all ethnicity and gender DE&amp;I Commitments (page 81).</li> </ul>	<ul style="list-style-type: none"> <li>• Launched our DE&amp;I strategy and global learning programmes (page 81).</li> </ul>
	12.2 12.4 12.5 12.6	<ul style="list-style-type: none"> <li>• Operations (page 69), Materials (page 74), Packaging (page 77) and Lifecycle (page 78) Commitments.</li> </ul>	<ul style="list-style-type: none"> <li>• Developed our first repair for resale trial, ReSouled (page 78).</li> <li>• Introduced more sustainable materials across our product and packaging, including our core shoe box (page 77).</li> </ul>
	13.2	<ul style="list-style-type: none"> <li>• Net Zero target to be validated by SBTi in FY23.</li> <li>• Renewable electricity across all owned and operated facilities by 2025.</li> </ul>	<ul style="list-style-type: none"> <li>• Conducted Dr. Martens first full value chain carbon footprinting exercise (page 66).</li> <li>• Purchased 100% of the electricity in the UK from renewable sources, as well as implementing numerous energy efficiency initiatives (page 68).</li> </ul>
	15.1 15.2 15.5	<ul style="list-style-type: none"> <li>• Sustainable vegan upper material by 2028.</li> <li>• 100% of the natural material in products from regenerative agriculture by 2040.</li> <li>• Achieve 100% leather traceability for all countries by 2024.</li> <li>• 100% upper leather from LWG by 2023.</li> <li>• Zero deforestation by 2025.</li> </ul>	<ul style="list-style-type: none"> <li>• Tested a bio-based vegan upper material which we plan to launch in the Spring Summer 23 range (page 76).</li> <li>• Continued to work with tanneries to improve traceability (page 75).</li> <li>• We achieved our Commitment to source 100% LWG certified upper leather (page 75).</li> </ul>

These boots have been repaired and restored as part of our ReSouled trial, more on page 78.



# PLANET

**We tread lightly, working to transform our business and help our suppliers to operate in a way which supports the future of our planet.**

## RELEVANT UN SDGS



## KEY AREAS AND COMMITMENTS:

### CLIMATE:

→ Net Zero target to be validated by SBTi in FY23.

→ [READ MORE P66](#)

### OPERATIONS:

→ Waste: Minimise waste, and ensure zero waste to landfill across the full value chain by 2028.

→ Chemicals: Support suppliers to adopt best practice chemical management by 2025.

→ Supplier practices: Environmental certification standard to all Tier 1 suppliers by 2025.

→ [READ MORE P69](#)

## CLIMATE

### WHY IT MATTERS...

Climate change is an issue which is increasingly impacting us all. Collective, rapid action is needed to slow the effects, which are already materialising globally. It's an area of importance for our stakeholders - including our consumers concerned about their personal impact and our investors considering the commercial, regulatory and physical climate exposure of their investments. Distributors and wholesale partners are thinking about the carbon footprint of their product portfolio, and current and potential employees are wondering how their organisation is addressing this global issue.

### OUR COMMITMENTS:

#### Energy and climate

- Net Zero target to be validated by SBTi in FY23.
- Renewable electricity across all owned and operated facilities by 2025.

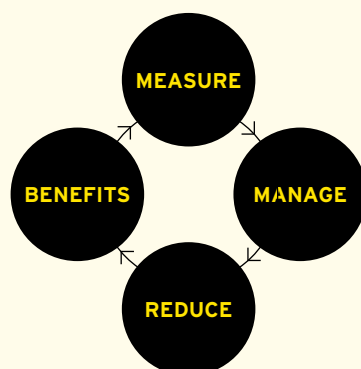
#### TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

This year, we have disclosed our climate-related risks and opportunities in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). You can find our full TCFD update on page 90.

### WHAT WE'RE DOING...

In 2021, we partnered with the Carbon Trust, a third-party expert, to measure and map our total value chain carbon footprint, develop our Net Zero Commitment and assess our climate-related risks and opportunities. Understanding where our carbon hotspots lie will help us prioritise reductions and maximise efficiencies as we develop our operations for the future.

#### Our approach to carbon emissions:



### OUR PROGRESS...

#### Mapping and measuring our carbon footprint:

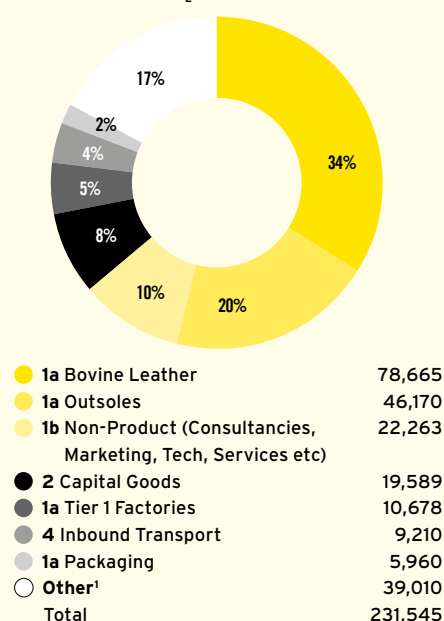
This year we undertook our first full carbon footprinting exercise, mapping emissions across our operations and full value chain. Emissions included within our Scope 1-3 footprint are detailed in Figure 1 below and are aligned with the GHG Protocol. We used FY20 (April 2019 - March 2020) as a baseline to avoid the significant distortion caused by Covid-19 related disruption and lockdowns experienced across FY21.

Despite Scope 1 and 2 emissions making up only 1% of our total FY20 footprint (which is common for retailers), the decarbonisation of our own operations remains a key priority. In order to achieve our Net Zero target, we have set a series of internal milestones and KPIs which form part of our broader sustainability roadmaps (see page 61 to find out more). Further details on our FY22 Scope 1 and 2 emissions can be found in our Streamlined Energy and Carbon Reporting (SECR) disclosure on page 68.

Over the past year we have also been working to develop our Science-Based Targets with support from the Carbon Trust. In last year's Annual Report, we disclosed our commitment to achieve Net Zero by 2030. Since then, the guidance for setting Net Zero targets has been updated by the SBTi.

As a result of this, we are committed to reduce absolute Scope 1 and 2 emissions 90% by 2030, from a 2020 base year, which is aligned with a 1.5°C future and to the requirements for Net Zero targets as set out by the SBTi. We are awaiting the updated guidance for our sector from the SBTi in order to submit our targets and set our Scope 3 emissions commitment, as advised by the SBTi (expected later in 2022). We look forward to sharing our targets and the progress against them following submission and validation.

Figure 2: FY20 BASELINE SCOPE 3 EMISSIONS (tCO<sub>2</sub>e)



1. The following GHG Protocol Scope 3 emission categories are excluded, either because the emissions are covered in another category or because they are not relevant for our business: (8) Upstream leased assets, (10) Processing, (13) Downstream leased assets & (15) Investments.

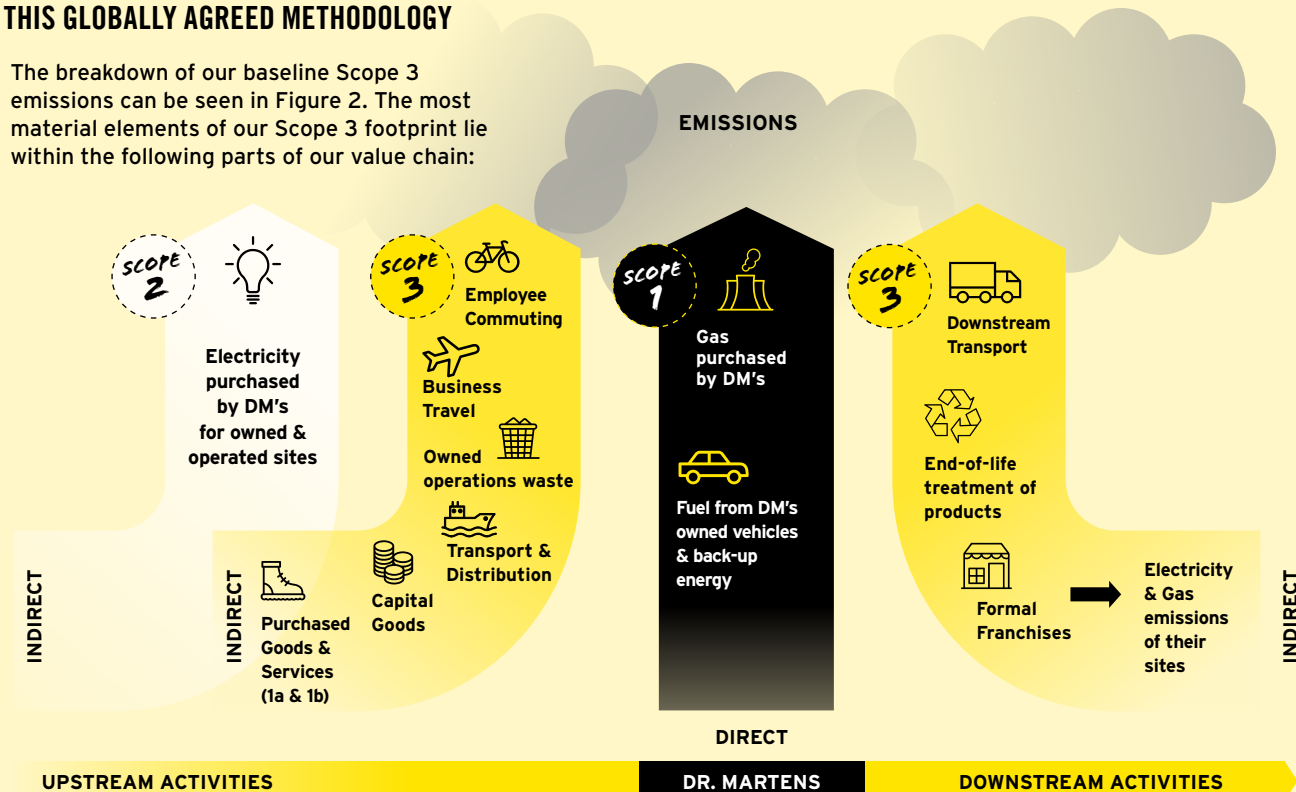
Figure 1: The breakdown of emissions across Scopes 1-3 from a FY20 baseline (1 April 2019 - 31 March 2020)

Scope	FY20 Tonnes CO <sub>2</sub> e	% of Total Value Chain
Scope 1	640	0.3%
Scope 2 (Location)	1,891	~
Scope 2 (Market)	1,936	0.8%
Scope 3	231,545	98.9%



## GREENHOUSE GASES ARE MEASURED ACROSS 'SCOPES' WITHIN THIS GLOBALLY AGREED METHODOLOGY

The breakdown of our baseline Scope 3 emissions can be seen in Figure 2. The most material elements of our Scope 3 footprint lie within the following parts of our value chain:



Upstream: The materials we purchase (including leather, PVC, and packaging) and the manufacturing services we use to convert those materials into our products.

Downstream: The fitting out of new stores, as well as transportation and logistics.

### COLLABORATING TO STANDARDISE THE CALCULATION OF LEATHER EMISSIONS:

Leather is used across the vast majority of our product range, so we want to make sure that the leather we use is sourced as responsibly as possible. The leather we use is a by-product of the food industry. Calculating the carbon footprint of leather is complex and is still developing and evolving across the sector. We are actively working with our peers - and through the Leather Working Group (page 75) - to develop and standardise the process.

Through industry collaboration, we are working to develop a standard for calculating leather emissions that encompasses the full carbon impacts of the material and applies accurate responsibility across the relevant

sectors and stakeholders involved. For our FY20 baseline footprint, we used what we consider to be the best available industry standard (EU PEFCR) combined with primary data from our tanneries to generate an emissions intensity factor.

### LIFE CYCLE ASSESSMENT DATA:

Accurate data leads to a more reliable carbon footprint, which is why we are supportive of our suppliers who conduct material specific Life Cycle Assessments (LCA). In our calculation of our footprint this year, we used LCA data directly from some of the progressive tanneries that we work with, including Prime Asia. The LCA results carried out by Prime Asia have been independently reviewed and approved for use in one of the leading standards for the sustainability impact of materials.



## STREAMLINED ENERGY AND CARBON REPORTING STATEMENT

Emissions data in respect of the FY22 reporting period is as follows:

GHG Protocol Scope	Sub-category	FY21	FY22
Scope 1 (tCO <sub>2</sub> e)	Gas and transport fuel	467.78	517.85
Scope 1 (tCO <sub>2</sub> e)	Fugitive emissions	238.03	238.03
<b>Total Scope 1 (tCO<sub>2</sub>e)</b>		<b>705.81</b>	<b>755.88</b>
Scope 2 (Location-based) (tCO <sub>2</sub> e)	Purchased energy	1,551.97	1,665.08
Scope 2 (Market-based) (tCO <sub>2</sub> e)	Purchased energy	1,461.63	1,284.83
<b>Total Scope 1 and 2 (Scope 2 Location-based) (tCO<sub>2</sub>e)</b>		<b>2,257.78</b>	<b>2,420.96</b>
<b>Total Scope 1 and 2 (Scope 2 Market-based) (tCO<sub>2</sub>e)</b>		<b>2,167.44</b>	<b>2,040.71</b>
Scope 3 (tCO <sub>2</sub> e)	Grey fleet	5.34	13.37
<b>Total Scope 3 (tCO<sub>2</sub>e)</b>		<b>5.34</b>	<b>13.37</b>
<b>Total Emissions (Scope 2 Location-based) (tCO<sub>2</sub>e)</b>		<b>2,263.12</b>	<b>2,434.33</b>
<b>Total Energy Use (Global) (kWh)</b>		<b>6,682,753</b>	<b>7,404,496</b>
<b>Intensity Metrics</b>			
Turnover (£)		773,000,000	906,050,000
<b>Intensity Ratio (tCO<sub>2</sub>e/£100,000)</b>		<b>0.29</b>	<b>0.27</b>

- The period of our report is 01/04/21 – 31/03/22 and covers Dr. Martens plc and other Group companies. This includes limited emissions under Scope 1 and 2 (gas & fuel used in transport; purchased electricity), except where stated, and limited emissions under Scope 3 (fuel used in personal/hire cars for business purposes). Location-based emissions are calculated using electricity grid averages, whereas market-based emissions are calculated using supply-specific factors.
- The methodology is based on the principals of the Greenhouse Gas Protocol, taking account of the 2015 amendment which sets out a 'dual reporting' methodology for the reporting of Scope 2 emissions. Conversion factors for UK electricity (location-based methodology), gas and other emissions are those published by the Department for Environment, Food and Rural Affairs for 2021-22. Conversion factors for UK electricity (market-based methodology) are published at [electricityinfo.org/](http://electricityinfo.org/) provided by the relevant supplier. Emissions intensity factors for our operations across the Americas and Asia Pacific were sourced from the IEA, with EEA intensity factors being used for EMEA countries (excluding UK). Where market-based emissions are zero, these are linked to Renewable Energy Guarantees of Origin (REGO) accredited sources.
- Scope 3 emissions from our grey fleet (i.e. privately-owned vehicles used by employees for business purposes) have been calculated using the 2022 UK Government Conversion Factors for Company Reporting.
- We are continuing to source energy consumption data through a series of means, with the most to least optimal being half-hourly data, meter readings, energy invoices, and estimates if none of the prior are available. Electricity and gas data for direct supplied sites includes some supplier estimates for FY22.
- Scope 3 emissions (grey fleet) totalling 21,829 kWh were missing from the Total Energy Use reported in FY21. This has been rectified for the FY22 SECR disclosure. Exclusions statement: No known exclusions at the time of reporting.

### Energy efficiency initiatives:

A number of energy efficiency initiatives were implemented during FY22. The key initiatives are as follows:

- Over the past year, a focus has been to source renewable electricity across our owned and operated sites as we move towards our 2025 Commitment. 100% of electricity purchased for our owned and operated sites in the UK is now from renewable sources.
- 39% of electricity purchased for our owned and operated sites in Europe is now also from renewable sources. We have set an internal aim to reach 75% across Europe by the end of 2023.
- Opening of our test and learn 'Retail Reimagined' site at our Carnaby Street store was also a key moment. Working with an energy management company, we initiated trials of smart controls on energy consuming units within the store. Metering and controls generate automated energy readings whilst simultaneously making real-time improvements to energy efficiency through artificial intelligence. We will use the outcome of the trial to inform future developments in energy management across our owned store estate globally.
- We also installed two double socket wall-mounted Electric Vehicle charging points at our Made In England factory.

### What's next?

Climate is a critical area of focus for our Sustainability Working Groups.

An important short-term target is to implement appropriate internal systems to enable us to monitor our climate-related data, such as energy data, in real time. This will be a key focus for us over the coming year.

We also look forward to sharing our Science-Based Targets and the progress against them following submission and validation.

## OPERATIONS

### WHY IT MATTERS...

Being a responsible brand starts with our own operations. Whether it be in one of our stores, offices, distribution centres, or on the factory floor at Cobbs Lane, our operations are where we show up to work for DM's each day. Here, we've got direct control so we can lead by example to operate in a way which is resource efficient, treading as lightly as we can. Transforming how we operate shows we are serious about the action that's needed. It's how we reduce our carbon footprint, eliminate waste at source and recycle more. By sharing what we learn, we can support our global supply chain to measure and mitigate their impacts too.

### OUR COMMITMENTS:

#### Environmental impact of supply chain manufacturing

- Environmental certification standard to all Tier 1 suppliers by 2025.

#### Waste management

- Minimise waste and ensure zero waste to landfill across the full value chain by 2028.

#### Chemicals management

- Support suppliers to adopt best practice chemicals management by 2025.



### WHAT WE'RE DOING...

#### Made In England: Sustainability leadership through innovation

Cobbs Lane in Wollaston, England, is the birthplace of Dr. Martens. To this day, Cobbs Lane remains the home to our Made In England (MIE) manufacturing facilities and is our 'centre of excellence' in terms of manufacturing innovation.

In 2021, we maintained ISO 14001 certification across our MIE facilities. We have also seen a number of environmental management improvements at our MIE sites:

- Investment in automation: In June 2021 we introduced new digital cutting machines to our MIE facilities. Using nesting technology, they allow for the efficient measurement and cutting of leather and other materials, which can minimise waste.
- Improved energy data: We have installed energy monitors on selected machinery at our MIE sites to accurately measure energy use.
- Supplier engagement: We engaged with our MIE suppliers to identify environmental performance improvements. In February 2022, our MIE welt supplier replaced the single use plastic sheet covering in-transit welt with a paper cover. We want to lead by example, so we will support our Tier 1 suppliers to introduce an

environmental certification standard, such as ISO 14001, by 2025. Currently, 14% of our Tier 1 footwear assembly supplier factories have an environmental management certification. In the coming year, we will continue to engage with the rest of our Tier 1 supplier base to set the baseline for this Commitment next year.

Our UK and Netherlands distribution centres were built with sustainability in mind. Both are certified to the BREEAM 'sustainable building' standard. We are also looking to design our new EMEA office to the BREEAM certification standard, which is expected to be confirmed later in 2022.

#### Sell responsibly:

In March, we completed our new store concept on Carnaby Street, London. This is our first 'test and learn' site globally and has sustainability features running throughout. It is currently also awaiting a BREEAM certification which will be confirmed later in 2022. The fit out was completed using sustainable materials such as recycled steel, Richlite (a recycled paper composite) and Jesmonite (a low carbon and lime-free alternative to concrete). The site was also used to trial energy measurement and management software to optimise efficient use of energy and deliver smart control of consumption units. This store concept will form the basis for our future store design principles, which will be developed over the coming year.



## Global supply chain

We define our global supply chain tiers in the following way:

- Tier 1 supplier: Manufacturing and assembly of finished products.
- Key Tier 2: A supplier that produces a strategic component.
- Tier 2: A supplier that produces other components.

The majority of our footwear and accessories are manufactured by our Tier 1 suppliers across Asia and Europe, with a small amount of footwear being made at our owned manufacturing site in the UK. Our Tier 1 factory list is shared on our website and is updated every six months.

We are committed to fostering long-term partnerships with our suppliers. Throughout FY22, supply chains globally have continued to face unprecedented challenges due to Covid-19 and other unforeseen events. In line with our partnership principles, we have not cancelled any orders (in full or in part) and have continued to pay our suppliers throughout the Covid-19 crisis. We also accelerated payment terms for some of our suppliers, from 60 days to 30 days, to support them through the challenging circumstances caused by the pandemic.

## Supplier engagement:

Our CSR team works directly with new and existing suppliers and their factories. They are based in key sourcing locations and this enables the team to respond quickly if issues occur. It also allows us to develop trust and build strong relationships with our suppliers. We host supplier conferences approximately every six weeks which provide an opportunity to update and share learning with our Tier 1 suppliers and maintain regular and open lines of communication.

KPI: ACHIEVED

100%



of Tier 1 footwear suppliers CSR audited were found to meet our high standards during FY22

## CSR policies:

Our suppliers must adhere to our CSR policies, which set out our standards for the fair treatment and conditions to be provided to the workers making our products. These policies, which are available on our website, are embedded in our Master Supplier Agreements, which are signed by our Tier 1 suppliers and third-party distribution centres and include:

- Supplier Code of Conduct.
- Migrant Worker Policy.
- Supplier Environmental Standard.
- Animal Derived Materials Policy.

Our Supplier Code of Conduct sets out our expectations for the suppliers we work with. It is based on the Ethical Trade Initiative Base Code and the conventions of the International Labour Organization (ILO).

## CSR monitoring programme:

Our CSR monitoring programme provides a robust framework for factory approvals and ongoing monitoring. It is the foundation of our supplier factory relationships and underpins our commitment to maintaining fair and safe working conditions in our supply chain. It includes independent third-party CSR audits, which must be completed before we engage with new Tier 1 supplier factories. In addition, it includes the frequent monitoring (at least once a year) of active Tier 1 supplier factories to ensure their workers are treated fairly and their safety is protected.

We continue to partner with an independent third-party company, Intertek, to deliver our CSR monitoring programme. The Workplace Conditions Assessment (WCA) is the audit protocol which is followed for our CSR monitoring programme. It is an on-site verification programme intended as an overall risk assessment for social and environmental compliance issues across a range of topics including modern slavery, child labour, wages and hours, health and safety, environmental management and environmental impact reduction.

## SUPPLIERS ARE SCORED USING THE WCA AUDIT SCORE RATINGS

Green (High)	85-100%
Yellow (Medium)	71-84%
Orange (Low)	51-70%
Red (Not Acceptable)	0-50%
Grey	(Not Audited Yet)

This year, we have started to carry out semi-announced audits across our Tier 1 supplier factories. This means suppliers are given a window of 30 days for when the audits could take place. Going forward, we will continue to audit our Tier 1 suppliers semi-announced, unless it is the facility's first audit.

During the year, Covid-related travel restrictions have made it difficult for our employees and local third-party auditors to visit certain areas of our supply chain. In addition, ongoing global lockdowns have meant that some supplier factories have at times been closed. These disruptions have resulted in interruptions to the audit schedule and in one instance, remote auditing was required<sup>1</sup>.

However, despite these challenges, we have continued to frequently audit our Tier 1 supplier factories.



During FY22, 100% of Tier 1 footwear suppliers CSR audited were found to meet our high standards<sup>2</sup>.



We are also committed to setting similar high standards for our Key Tier 2 suppliers. Under our CSR monitoring programme, we are now working to extend the WCA across our most significant Key Tier 2 suppliers with a focus on the top suppliers by volume. Next year, we plan to report progress against this Commitment's KPI.

## Environmental impacts from supply chain manufacturing processes:

Our Supplier Environmental Standard sets out our expectations for how our suppliers manage their environmental impacts. This includes energy, water, waste and chemicals management.

1. In April 2021, a Tier 1 supplier factory in Laos was audited remotely, due to travel restrictions.

2. Audit results above 75% scoring, in line with Intertek Workplace Conditions Assessment scoring methodology.



### Waste management:

We are working towards minimising our waste and ensuring zero waste is disposed of through landfill, across our own operations and our full value chain (Tier 1 and Key Tier 2 suppliers) by 2028. Over the past year, we have been collecting the baseline data needed to guide our efforts and monitor progress.

For example, we continue to collect a range of environmental data, including waste volumes, from our Tier 1 suppliers. In our last report, we identified that one of our environmental risks is weaker waste infrastructure and limited transparency around disposal practices in some of our sourcing countries, such as Vietnam and Laos. As a result, we had ambitions to verify our waste data, but have faced challenges in doing this due to the travel restrictions implemented globally. This still remains a high priority and we will look to achieve this in FY23, subject to travel restrictions easing.

### Leather waste:

As one of our most used materials and due to the unique cutting pattern of our footwear, leather waste is one of our highest volume waste types. It is therefore a particular area of focus for us. Over the past year, we have initiated research to recycle leather trimmings and waste into new componentry for our product and investigated recycling our waste leather in partnership with external industries. One example is converting leather waste into organic fertiliser. We will continue to progress with these trials and undertake further research in this space.

### ➔ LEATHER P75



### Minimising PVC waste:

Our outsole suppliers in Asia grind up our manufacturing PVC waste and reuse it in the injection moulding production of our outsoles. In March 2022, we installed a grinding machine in our UK outsole manufacturer to support the replication of this process. We have also partnered with a local wellies and jelly shoes manufacturer in the UK, who recycles any additional PVC manufacturing waste into saleable footwear.

CASE STUDY

**SUPPORTING SUPPLY CHAIN  
IMPROVEMENTS:**

In April 2021, an initial WCA audit was carried out by our auditing partner, Intertek, at a tannery located in Asia, as part of our supplier onboarding process. Records were found to be inconsistent so working hours and wages couldn't be confirmed. The tannery lacked the knowledge and understanding of the documentation required of them, which resulted in an initial 'Red' rating. A member of our CSR team, who are based in our sourcing locations, spent time with the supplier to develop their internal processes and improve their record keeping to the standard we expect. At the follow-up audit, the supplier achieved a 'Green' rating, demonstrating their commitment and dedication to improve their practices.

**Chemicals management:**

We continue to comply with the tightest chemical regulations identified on a global basis through our best practice chemical management system. In addition, we implement a stringent Restricted Substance List (RSL) and chemicals management programme. We also require all our Tier 1 and Key Tier 2 suppliers to sign our General Material Requirement Policy (GMRP), which is key to ensuring that our products comply with all relevant product safety legislation and broader requirements. The GMRP is aligned with the national legal testing requirements in all our operational regions.

We use third-party laboratories to test our products against the highest applicable chemicals and safety requirements for the markets they are sold into. Dr. Martens pre-approves all the laboratories we work with to ensure that we only work with trusted testing partners. Every new material and component type in our products undergoes a rigorous testing programme each season to ensure it is compliant. If a product or material should not meet each of the testing criteria, an investigation is launched immediately to remediate the failure before any product goes to market.

Chemicals are essential in the production of all materials, which is why it is important we support our suppliers to adopt responsible chemicals management practices. We will continue to work cross functionally across the business to go beyond compliance and to develop our approach to responsible chemicals. We remain committed to continuing to be compliant to the tightest chemical regulation through a best practice chemical management system.

**Water and wastewater management:**

We collect water volume data from our Tier 1 supplier factories, who provide quarterly reporting of their key environmental impacts. One of the key impact areas across our operations and supply chain for water use is the tanneries we source our leather from. As of SS22, all of the specified leather we purchased came from Leather Working Group (LWG) certified tanneries. All LWG tanneries must comply with the LWG audit protocol which aligns with the ZDHC requirements. For more information on leather, see page 75. Going forward, we will continue to engage with our supply chain on their environmental impacts and responsible use of resources.







# PRODUCT

**Our vision for the future is one where our product lifecycle is regenerative and circular, as we aim to leave things better than we found them.**

## RELEVANT UN SDGS



## KEY AREAS AND COMMITMENTS:

### MATERIALS:

- 100% of footwear made from sustainable materials by 2040.
- 100% of the natural materials in products from regenerative agriculture by 2040.
- Remove fossil-based chemicals from our products by 2035<sup>1</sup>.

→ READ MORE **P74**

### PACKAGING:

- 100% of packaging from recycled or other sustainably sourced material by 2028.

→ READ MORE **P77**

### LIFECYCLE:

- 100% of products sold have a sustainable end of life option by 2040.

→ READ MORE **P78**

1. Deadline amended to align with sustainable outsole Commitment.

MATERIALS

WHY IT MATTERS...

We care about the materials we use, where they've come from and how they're made. Each material used in a Dr. Martens product is carefully selected, because we believe that to make long-lasting products, we need to source durable materials. We are on a journey to source lower impact materials across our product range and packaging without compromising on the longevity or quality of our product.

OUR COMMITMENTS:

Innovation in design and sustainable materials

- 100% of footwear made from sustainable materials by 2040.
- Sustainable alternative to outsoles by 2035.
- Sustainable vegan upper material by 2028.

Land, biodiversity and ecosystems impacts of raw material production

- 100% of the natural materials in products from regenerative agriculture by 2040.
- Remove fossil-based chemicals from products by 2035.
- Zero deforestation by 2025.
- 100% leather traceability for all countries by 2024.
- 100% upper leather from LWG by 2023.

OUR COMMITMENT

100%

of footwear made from sustainable materials by 2040

WHAT WE'RE DOING...

Responsible design: Definition of sustainable materials

As we work towards 100% of our footwear being made from sustainable materials, we are investing in research and development to adopt lower impact material alternatives across our product range.

Over the past year, we have developed a set of criteria to guide our journey towards meeting our sustainable materials Commitments. Our 'Durable, Recycled/Renewable/Regenerative, Produced Responsibly' (DRP) Sustainable Materials Criteria were developed via extensive cross-functional engagement and with support from an external consultant. They define what we consider to be 'sustainable materials' based on the following definitions:

<b>DURABLE</b>  Durable materials are paramount to ensuring Dr. Martens products reach their maximum useable life.	Durability is a core design principle for Dr. Martens, ensuring all products are designed and built to maximise the length of time they can be worn. This means materials must: <ul style="list-style-type: none"><li>• Meet DM's quality and performance standards.</li><li>• Align to DM's sustainable design criteria and DM's timeless brand aesthetic.</li></ul>
<b>RECYCLED/RENEWABLE/REGENERATIVE</b>  Sustainably sourced materials lay the foundations for more sustainable products.	Materials must be from credible Recycled, Renewable or Regenerative sources. For recycled, this means material created from post-industrial or post-consumer recycled content. DM's strives to maximise recycled content without compromising durability.  For non-recycled content, materials should be sourced from renewable sources that implement regenerative practices wherever possible.
<b>PRODUCED RESPONSIBLY</b>  Sustainable materials are manufactured using environmentally and socially sustainable practices.	All material production must be underpinned by responsible practices, exemplified by DM's Supplier Code of Conduct, Workplace and Environmental Standards. This includes ensuring: <ul style="list-style-type: none"><li>• Effective management of environmentally harmful inputs and outputs.</li><li>• Social sustainability practices.</li><li>• Responsible farming practices.</li><li>• Compliance with local and relevant global legislation.</li><li>• Traceability to support all the above.</li></ul>

These definitions will act as the foundation for our efforts to meet our sustainable materials targets. Most notably, this includes our commitment for 100% of footwear to be made from sustainable materials by 2040.

We have further detailed definitions and criteria which underpin each pillar of the DRP Sustainable Materials Criteria, to guide our designers and shoe-makers.

In 2021, we developed and adopted our Materials Development Stage Gate Approach to help ensure that our approved materials align with our sustainability strategy and meet our expectations in terms of scalability and quality. All new materials put forward for use must go through this structured assessment process.

## Leather:

Leather continues to be our most commonly used upper material. As a result, we focus on sourcing leather as responsibly as we can with the aspiration to do this through regenerative agriculture and other sustainable sources. One of the ways we achieve this is through our active membership of the Leather Working Group (LWG). The LWG aims to raise environmental standards and traceability throughout the leather industry. LWG tanneries are audited on their environmental performance and certified as 'Gold', 'Silver', 'Bronze' or 'Audited'. The medal rated tanneries comply with the LWG standards for environmental impacts such as energy use, water, chemicals (aligned to ZDHC) and waste management.

We also participate in the LWG sub-groups, the Animal Welfare Group and the Traceability Working Group.



## LEATHER WORKING GROUP (LWG)

From AW21, 100% of our upper leather came from LWG certified tanneries.

For SS22 and AW22, all other specified leather, including linings, leather goods, laces and footbeds, also came from LWG certified tanneries.

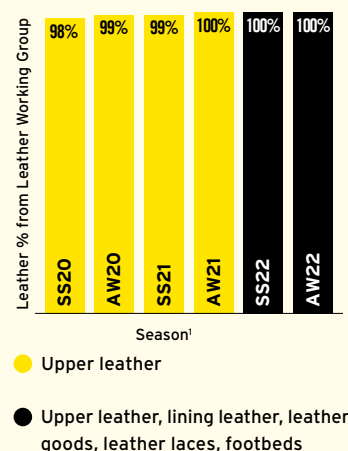
KPI: ACHIEVED

100%



upper leather from LWG by 2023

## LEATHER SOURCED FROM LWG CERTIFIED TANNERIES



1. Leather is reported per season due to buying patterns.

In 2020, we made the commitment to source 100% of our leather from LWG tanneries by 2023. We reached this goal by continuing to support our tannery partners to improve, as well as some consolidation of the supply base.

## What's next?

We recognise that meeting our responsible sourcing commitments is an ongoing journey. As the LWG Audit Protocol is updated, it is possible for the audit status of tanneries to change. In this context, we remain committed to sourcing our leather from LWG tanneries, and to working closely with our tannery partners to continually improve their environmental and social performance.

## Leather traceability:

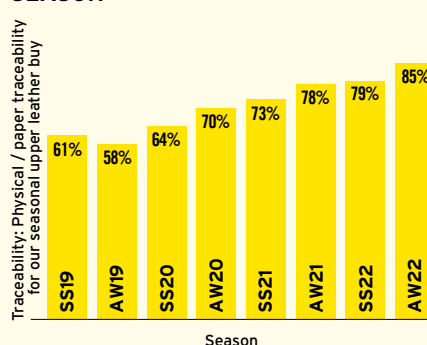
Traceability is integral to fostering good practices across the supply chain and delivering assurance to our customers. Understanding exactly where our leather comes from will help us ensure that it is not associated with deforestation or other environmental, social and animal welfare impacts.

Currently, traceability to the abattoir stands at 85% for AW22. The LWG audit currently scores tanneries as a whole facility, based on how much of the leather is traceable through their supply chain to the abattoir. We use this score to measure our traceability as we develop the traceability within our leather supply chain against our 2024 target.

Going forward, we are looking to evolve this measure, so we can monitor the traceability of the specific leathers we source, as well as to monitor traceability further down the value chain beyond the abattoir.

We have seen a traceability increase of 6% between SS22 and AW22, due to our continued work with our tannery partners to improve their traceability processes, and to evolve our supply base and own processes to close gaps.

## LEATHER TRACEABILITY PER SEASON



KPI: IN PROGRESS

85%



of our leather is traceable

We currently co-chair the LWG Traceability Working Group. Through this group, the LWG and its members are working with NGOs and other organisations, including World Wildlife Fund and National Wildlife Federation, to further enhance traceability across the leather industry. The group is also supporting efforts to address areas of particular importance or concern in the leather supply chain, including deforestation.

In 2021, we also updated our Animal Derived Materials Policy to include additional clauses around required due diligence for tanneries sourcing material from Brazil.

## What's next?

In 2022, we will develop internal systems to monitor and further improve the traceability of our materials. This will enable us to monitor our global supply chain as we work towards our commitments such as zero deforestation by 2025 and sourcing all of our natural materials from regenerative agriculture by 2040.



## PVC

At DM's, durability is built into our DNA. The majority of our outsoles are made using PVC, a hard-wearing and commonly used material. PVC pre-consumer waste can be recycled back into the moulding process (page 71). At the same time, we recognise that the creation of PVC requires fossil fuels and chemicals, which have an impact on the environment.

This is why we have started investigating alternative outsole materials, including bio-based materials. One of the key challenges is developing a material that has the same durability as our current PVC alloy. However, we will continue to invest in the research and development of our outsoles, as we work towards our goal of developing a sustainable alternative outsole by 2035.

## Other components

We have also been working to increase the sustainability of our other components. We now have:

- 50% recycled polyester in standard heel loops, increasing to 100% from AW22.
- 20% recycled polyester in standard round black laces.
- 50%-100% recycled polyester in upper and lining materials.
- 100% recycled polyester content in cushioned insoles.

We will continue to test and utilise more sustainable materials across our product range, as well as developing the internal data monitoring systems to measure our progress.

## Vegan

Our vegan range offers consumers the option to wear our product without using any animal-derived materials. Our current vegan range is made from a synthetic PU material, which is designed to have similar qualities to leather. We recognise that this material does not meet our Sustainable Materials Criteria, so we have set ourselves the target to develop an alternative vegan material by 2028.

## OUR COMMITMENT

Sustainable vegan upper material by

# 2028

We continue to work with multiple partners to trial bio-based materials that can meet these criteria, whilst retaining the durability that is in our DNA. Over the past year, this has included carrying out wear trials, as well as performance and manufacturing testing on different vegan upper materials. Through our ongoing exploration in this area, we plan to launch the first 'new' vegan material meeting our Sustainable Materials Criteria in our Spring Summer 2023 range. We continue to assess further suitable vegan upper options and will introduce these into future seasons.



## PACKAGING

### WHY IT MATTERS...

Packaging accounts for a significant volume of the materials we source, with the majority of packaging being used in our supply chain to ensure our products are delivered without damage. Increasing our use of recycled and other sustainably sourced materials, whilst also reducing our overall packaging volumes, offers a significant opportunity to minimise waste within our value chain. This is also a key area of focus for our consumers, who are becoming more aware of the environmental impacts of their favourite brands' packaging.

### OUR COMMITMENTS:

#### Packaging materials and design

- 100% packaging from recycled or other sustainably sourced material by 2028

### WHAT WE'RE DOING...

#### Packaging Principles:

In 2021, we developed Company-wide Packaging Guiding Principles, to support our efforts towards the achievement of our packaging targets and ensure consistency in our messaging and decision-making. These apply to any new packaging items we develop or procure:

1. Packaging materials: Material should either be: (i) bio-based, (ii) recycled (rather than virgin), or (iii) made from other sustainable materials where possible (whilst ensuring it is still fit-for-purpose).
2. Responsible sourcing: We will endeavour to source our packaging responsibly, which means from certified and local sources where possible.
3. Content: It should consist of bio-based material (as a priority) or recycled materials (rather than virgin), whilst ensuring it is still fit-for-purpose.
4. No unnecessary packaging: Avoid unnecessary packaging and investigate the use of digital assets.

5. Responsible disposal: We will ensure any new packaging can be disposed of responsibly. This means assessing the waste and recycling infrastructure in our consumer markets, to ensure our consumers have options to dispose of any packaging we use responsibly.

#### Minimising packaging:

In 2021, we undertook a comprehensive assessment of all our global supply chain packaging, to identify opportunities to reduce unnecessary packaging where possible - see the case studies below for more details.

Over the coming year, we will focus on the removal of non-recyclable or difficult to recycle materials from our packaging, such as protective foam inserts and metal eyelets on swing tags. We will also work to set up the data systems needed to track our materials use. In addition, we are working to reduce material volume in shipping cartons and are investigating lower impact alternative materials, such as bio-based plastics.

# 25%

material reduction in our core shoebox

### CASE STUDY

#### SHOE BOX OPTIMISATION:

During the year, we focused on optimising the design of our standard shoe boxes which are used across all regions. A key aim was to reduce the volume of fibre used, whilst ensuring the same durability. Introducing a half-flap to the box resulted in a 25% reduction in the material used per box, whilst ensuring the protection of the product inside. The reduced weight of the new box will also result in carbon savings during shipping and will be rolled out in AW22 globally.



### CASE STUDY

#### ECOMMERCE SHIPPING BAGS:

In 2021, we also trialled alternative materials for the ecommerce shipping bags used in our EMEA region (cardboard boxes are used to transport ecommerce orders in the US and APAC). This was with the aim of reducing the overall volume of plastic used and increasing recycled content. The new design is made from approximately 50%

less plastic by weight than the previous bag and is fully recyclable. Recycled content has also been increased from 25% to 80%, and we are looking to increase this further. The new ecommerce shipping bag is already in use in the UK and we are planning to roll it out across continental Europe over the coming year.



## LIFECYCLE

### WHY IT MATTERS...

Eventually, all Dr. Martens products will reach the end of their life. We want to prevent this for as long as possible through care and repair. But when that day finally does come, we are working towards offering a sustainable end of life solution. Adapting our business to move towards a circular model not only offers our customers more options when they want to upgrade their Docs. It also means the quality materials are captured to be used in the production of new products.

### OUR COMMITMENTS:

- 100% products sold have sustainable end of life option by 2040.
- All products align to sustainable design criteria by 2028.
- Offer options and guidance for wearers to maximise useable life by 2025.
- Sustainable design thinking and principles training by 2022.

## WHAT WE'RE DOING...

### ReSouled: Repair for resale

Throughout 2021 and early 2022, we have been developing our repair for resale trial: ReSouled. Last year we committed to offer more options and support to maximise the life of our footwear.

ReSouled is the next step forward on our journey to leave things better than we found them – to help our wearers make the most of each pair of DM's. ReSouled is a 'test and learn' trial in the UK which repairs worn or faulty Dr. Martens footwear which cannot be returned to sale due to their condition. The footwear is restored by our partner, The Boot Repair Company, to a quality where they can be offered exclusively to the consumer via the online Dr. Martens shop on Depop.

Packaging is minimised where possible, whilst still offering protection to the product:

- Packaging is sourced in the UK, which includes a recycled box sealed with paper tape which can also be recycled.
- Items are shipped without plastic packaging.
- Bulkier items are protected with either reused tissue paper, or kraft paper made from recycled materials (with the remaining content being FSC certified).

This is our first trial within the rapidly growing area of recommerce. Following a successful launch in the UK in April 2022, we will look at options to repair and resale at scale, whilst ensuring the solutions are local to minimise the overall carbon footprint.



## THE RESOULED PROCESS

The footwear is first professionally cleaned before skilled repairers fix any faults.

### 1 REPAIRED

### 2 REFRESHED

They are then packaged up in recycled or responsibly sourced, plastic-free packaging.

The footwear is then ready for customers to buy from our Dr. Martens Depop virtual shop.

### 4 RESOLD

### 3 REBORN



### OUR COMMITMENT

100%

products sold have sustainable end of life option by 2040



### Take back

In 2021, we partnered with Soles4Souls, a non-profit organisation giving unwanted shoes a second life by providing them to those that need them most.

Our 'Take back' initiative enables customers to drop off used footwear, of any brand, to 15 Dr. Martens stores across London, Berlin, Paris and Amsterdam.

How does it work? Soles4Souls transport the donated shoes to vetted non-profit organisations on the ground in developing nations, who purchase them for an average of \$1 per pair. The Soles4Souls non-profit partners also provide training and support in setting up small enterprises. Selling shoes generates the income business owners need to lift themselves and their families out of poverty, and an entire community has access to affordable shoes.

### Recycling end of life products

Eventually, all our products will reach their end of life. If we are not able to extend a product through repair and resale, then recycling is the next best solution.

Products which cannot be retouched and returned to sale represent a very small portion of our total return volumes. Nonetheless, as part of our commitment to offer a sustainable end of life solution for all product by 2040, we have been investigating new product recycling partnerships.

In FY22, we started working with two organisations which take C Grade footwear (i.e. products that cannot be repurposed and sold) and recycle them into new products.

- In the Netherlands, we have partnered with a company which grinds the footwear and segregates the materials by type. Materials are then recycled into relevant waste streams or new products.
- In the UK, we have partnered with a company which segregates and grinds waste products into small particles which are then used as a substrate and mixed with resin to form new products, such as building materials.



### Sustainable design thinking and principles:

By the end of 2022, we plan to develop an internal training programme to help further foster a mindset of 'sustainability by design' across our design teams. This will be based on an internal design handbook which was developed in FY22, which focuses on the core principles behind our product and how these principles contribute to sustainability.

### Care:

We encourage our consumers to care for their Docs properly to extend the useable lifespan. Through our website and social channels, we share tailored tips on how to care for products based on the materials used to make them. This is an ongoing commitment which we aim to amplify further in FY23 through a cross-functional sustainability communications working group.

### DIY Docs customisation:

Self-expression and creativity are at the heart of what we do. Customisation is a great way to freshen up Docs and extend their life. It is something we encourage our consumers to get involved in through our 'DIY Docs' campaigns in store and on social media channels. As part of our Pride celebrations, we partnered with five LGBTQIA+ artists in the US to showcase their work on DIY Docs.



# PEOPLE

**We want our people to thrive by feeling supported, included and empowered to express themselves.**

#### AWARDS

Business Culture Awards 2021 - 'Best Medium Organisation for Business Culture' and 'highly commended' in the 'Business Culture in a Crisis' category, for our 'People First' response throughout the pandemic.

#### RELEVANT UN SDGS



#### KEY AREAS AND COMMITMENTS:

##### DE&I

The following commitments are to be achieved within three to five years:

##### Ethnicity

→ 30% underrepresented communities<sup>1</sup> in senior leadership roles (GLT and direct reports).

##### Gender

→ 50% women in senior leadership roles (GLT and direct reports).

→ Increase non-binary colleagues from 2% to 4% globally.

→ Increase male representation across our retail stores to 40%.

→ [READ MORE P81](#)

1. Black, Asian & Latinx.

##### HUMAN RIGHTS

→ Modern slavery, human rights and labour rights in the supply chain: We have been developing our approach in this area through our CSR monitoring programme and modern slavery programme.

→ [READ MORE P84](#)

##### COMMUNITY

→ Volunteering, charitable support and local communities: We continue to progress in this area through our work with the Dr. Martens Foundation.

→ [READ MORE P85](#)

## Our culture:

Like with every great music track, our DM's culture depends on everyone bringing their best and working together. This culture of collaboration and connection is one we want to co-create and invest in with our people. At DM's, we are focused on creating an environment where all people can thrive. A place where we can all be ourselves, act fearlessly and care for each other. The past year has been focused on laying down the tracks to enable future growth and we are now focused on areas that will drive momentum through the organisation in FY23.

## How we hire: Talent Acquisition

At DM's, our people are our greatest asset. This year we have grown our global Talent Acquisition teams to reflect both the volume of hiring this year and the evolution of the way we hire. This has enabled us to bring our employment brand to life with candidates and increase direct sourcing. This will continue to be an ongoing area of capability for the future, including investment in our value proposition and careers website, better data for tracking and monitoring candidate interaction and ensuring DE&I is a key focus area in our acquisition processes and practices.

## How we do our best work together: Future Ready Workplace

Across our offices we work flexibly and we have implemented a new Flexible Workplace Framework that supports our people spending 40 - 60% of their time in the office. At Dr. Martens we recognise the

value in flexibility, and we value human connections as a fundamental part of our culture. Having our people come into the office on a regular basis to connect has been a key focus. The Future Ready Workplace transformation aims to create an environment where our people can thrive at Dr. Martens, wherever they are working. In doing this we have invested in the technology and environments where our people work, giving them the flexibility to choose where and how they work to maximise their productivity and needs. Human connectivity has always driven collaboration, innovation, problem solving and ultimately success at Dr. Martens so we focus our office spaces to be hubs for this working. The changes to the environment and people-led activities and focus ensure that we can use our offices to continue to maintain and then strengthen the culture that exists at Dr. Martens.

## Learning and development:

To support the learning and development of our people, we have continued to enable hybrid working by promoting coaching-led, performance development conversations and expanding our series of personal effectiveness webinars so that more of our people have more opportunities to learn, more often. We have also successfully embedded leadership programmes for our most junior and senior leaders and are now turning our attention towards establishing a new leadership development framework; designed to attract, engage and retain the best leaders, build a long-term talent pipeline and ensure robust succession planning for

## AWARDS

Learning Excellence Awards; PeopleUnboxed, in partnership with Dr. Martens, won the award for 'New Thinking and Innovation Learning Process' for our First-Time Manager Programme.

future growth. For our retail teams, we are collaborating on a leadership programme and defined career pathways, bringing alignment and consistency across our global retail estate.

Strategic talent management and development will always be a priority for us, and we are more committed than ever to creating an environment in which anyone and everyone can grow and establish a long-term career at Dr. Martens. Gaining momentum in this area in the next year will be a key focus for the HR organisation and leaders across DM's.

## Mental health and wellbeing:

We continue to support the mental, social, physical and financial wellbeing of our people. In July 2021, we further expanded our Mental Health Network by training eleven more members of staff as Mental Health First Aiders. We offer an Employee Assistance Programme, a free and confidential advice service, an annual volunteering allowance, a discount shopping scheme, and regular educational events around mental wellbeing, DE&I, as well as personal and professional development.

## DE&I

### WHY IT MATTERS...

We believe that everyone who works for DM's or wears our boots should be part of a community where they feel accepted and included.

### OUR COMMITMENTS:

To be achieved within three to five years:

#### ETHNICITY

- 30% underrepresented communities<sup>1</sup> in senior leadership roles (GLT and direct reports).

#### GENDER

- 50% women in senior leadership roles (GLT and direct reports).
- Increase non-binary colleagues from 2% to 4% globally.
- Increase male representation across our retail stores to 40%.

Diversity, equity and inclusion (DE&I) continues to be a key aspect of our leadership agenda. We are proud to have launched our DE&I strategy in May 2021 where we set our ambition to build a business that reflects the communities that we operate in.

We pledged to work with and learn from the best practices of other businesses, on the topics of race, gender, and leadership. These include our participation in Diversity in Retail, Change the Ratio, CEO Action, and the Diversity and Inclusion in Asia Network.

In October 2021, we celebrated Global Diversity Awareness Month. We hosted a variety of talks throughout the month from thought leaders, as well as sharing resources and information on our internal and external channels.

### OUR DE&I STRATEGY LED US TO SIX AREAS OF FOCUS:

1. **Talent attraction:** To attract and maintain engagement with the widest possible employee base.
2. **Process:** Policies and practices that are measurable, so we are clear of the impact on our focus areas.
3. **Gender:** Equitable representation of all genders across all levels of the business.
4. **Data:** Clear understanding of global representation and how we use data to drive change.
5. **Race:** Racial fluency is a skill held by our employees. Representation of people of colour in leadership roles.
6. **Education and L&D:** Training and education offered across all levels of the business.

1. Black, Asian & Latinx.



#### Race/Ethnicity:

Throughout 2021 we focused on building our capabilities internally to mitigate bias and improve our racial fluency capability in concrete ways. This capability building came to fruition in several initiatives:

- Activated our Black History Month celebration 'Celebrating Black Voices' by partnering with Black-owned media and film companies, showcasing the experiences of our Black employees, and offering a month-long calendar of learning activities for our Americas employees.
- Added Juneteenth as a paid holiday (Americas employees only).

#### LGBTQIA+:

Pride is celebrated globally every June, but at DM's we're committed to showing up and supporting the LGBTQIA+ community all year round. During 2021, we celebrated through our global campaign 'Proud then, proud now, proud always'.

Throughout the business, we heard from external LGBTQIA+ voices including Global Butterflies, Casey Tanner and We Create Space through webinars, workshops, and educational resources. We also encouraged the people of DM's to raise their voice on intersectional issues in relation to the LGBTQIA+ community using an internal forum. 30% of our employees identify as LGBTQIA+ and we hosted lunch and learns where internal staff talked about their experiences.

At DM's, we also showed our support by donating to a variety of charities across the world including the Trevor Project in the US, Albert Kennedy Trust, Le Refuge and Jugend gegen Aids in EMEA and ReBit in APAC.

As well as internal events and education, we support Pride externally through our Pride boot, year-round social campaigns amplifying the voices of marginalised LGBTQIA+ people, competitions and participating in the Pride parade in Portland.



#### Gender:

Creating a culture of support and allyship is the foundation for gender equality at Dr. Martens. Today, nearly two-thirds of our global team are women. But this is not just about representation: at DM's we are putting the policies and systems in place to foster an inclusive workplace. In March 2022 the DE&I team launched our relationship with Catalyst, a global non-profit that helps companies build workplaces that work for women. Through this relationship, all employees have access to the full spectrum of Catalyst research, tools, webinars, and more. We also announced a series of updates to our family friendly HR policies during International Women's Month that would support women and parents through key milestones throughout their careers, namely Fertility, Loss, Maternity, Paternity and Menopause. These policies are being finalised ready for launch later in 2022.

We were disappointed that the pay gap widened in our 2021 Gender Pay Gap Report. Whilst we've made good progress over the last 12 months in promoting and hiring into more senior roles, we know we need to stay focused on improving our representation and improving the gender pay gap through the actions of our DE&I strategy and plans.

Inclusivity on our website: On our American consumer website, following successful optimised testing, we added 'For All' as the first option into the navigation panel, pulling through unisex styles. Whilst there is still much for us to do in this space, early feedback was positive, and we will look to test this in the EMEA region next.

DE&I Leadership Learning: In June 2021, we launched our DE&I Learning globally. This was mandatory for senior leaders and all employees within Human Resources. The modules introduced the foundations of DE&I, conscious and unconscious bias, inclusive language and providing specific managerial guidance for leaders in thinking and acting with an inclusive mindset.

In FY22 our Human Resources Leadership Team (HRLT) and Americas Leadership Team (ALT) participated in separate inclusive leadership training pilots. Both programmes were aimed at:

- Learning more about their own identity and point of view.
- Increasing their ability to recognise, understand, appreciate, and utilise difference on their work teams and amongst the respective leadership teams.
- Applying language, techniques, and action they can use with their teams.

#### OUR COMMITMENT

# 50%

women in senior leadership roles (GLT and direct reports) in the next 3-5 years

## DE&I: HOW WE'RE DOING...

We all play our part to make sure DM's is an environment with open minds, open eyes, open ears and open conversations. In 2021, we developed gender and ethnicity targets, to help us track our progression on representation across DM's. These are:

To be achieved within three to five years:

### Ethnicity

- **30% underrepresented communities<sup>1</sup> in senior leadership roles (GLT and direct reports)**

FY22:

**20.6%** 

### Gender

- **50% women in senior leadership roles (GLT and direct reports)**

FY22:

**43.6%** 

- **Increase non-binary colleagues from 2% to 4% globally**

FY22:

**4%** 

- **Increase male representation across our retail stores to 40%**

FY22:

**29%** 

1. Black, Asian & Latinx.

When we set these targets, non-binary representation amongst our employees was at 2% globally. Since then, it has increased to 4% meaning we achieved this target earlier than anticipated, which is reflective of the inclusive nature of Dr. Martens as a workplace. We will now look to develop this target further.

We can see that we have continued to build on our strong foundation of acceptance and inclusion through our DE&I survey results and our progression against our DE&I targets. For us, it boils down to treating people right, striving to do better and learning when we get it wrong.

## Engagement and Inclusion Survey

Our 2022 Engagement and Inclusion Survey seeks to understand the lived experience for all employees across Dr. Martens globally. With a 92% response rate – an increase of around 500 people from the previous year's survey – our people shared their thoughts and feedback, and the results highlight the areas where we are doing well and areas that we need to focus on in the coming year:

- **Included:** 82% feel they can express themselves at work.
- **Accepting:** 80% agree that Dr. Martens encourages diversity.
- **Equipped:** 78% feel empowered and set up for success.
- **Valued:** 76% feel that their voice and contribution matters.
- **Inspired:** 66% are inspired to be part of Dr. Martens' future.
- **Growing:** 63% keep evolving in their work and as a person.

Overall, our engagement score was broadly unchanged versus last year. We acknowledge that we are on a journey to increase momentum and improve in the future. This year, the employee engagement score was incorporated into the Executive Directors' bonus target, which was missed given the overall score. You can read more about this on page 147.

Looking ahead, our 'employee listening strategy' (page 124) will be developed further to build on our strong approach to engagement. We continue to emphasise that 'engagement happens at a local level' so we are working with all managers to ensure they have the tools, confidence and capability to have regular action-focused feedback sessions to keep the conversation alive throughout the year. We are complementing local level engagement with a Company-wide focus on our Inspired and Growth factors for this year, as well as implementing the right systems and resources to equip all of our people as we aim to improve next year.

We have a strong foundation to build upon but also recognise there is more to do to ensure Dr. Martens continues to be an environment where our people feel supported and able to reach their full potential.

## What's next?

We aim to create an environment where our people can thrive, build human connection and evolve our systems to drive organisational effectiveness. Through FY23, we will be driving momentum by focusing on four key areas:

- **Talent Acquisition:** We are developing a new applicant tracking system and playbook, bringing our brand story to life and raising awareness across a more diverse group of candidates and inspiring them to play their part in the DM's journey.
- **Talent Management and Development:** To complement the culture work around Rebellious Self Expression, we will embed the DM's leadership framework aimed at building leadership capability, which will enable a long-term talent pipeline and robust succession planning for the future. Our ambition is to develop leaders that understand and embrace their role to develop leaders and talent of the future.
- **DE&I:** We will track our representation data annually and conduct a gender pay gap study annually, and gender pay equity audits every other year. While we are proud of our progress we know there's more work to do.
- **Infrastructure:** We will continue to build out our HR systems, benchmarking capability, reward structure and careers sites to set ourselves to hire, develop and retain the incredible talent we have at DM's now and in the future

Our culture is at the heart of everything we do and we believe it is owned by every employee at Dr. Martens. We will continue to evolve our culture to reinforce our commitment to co-create a diverse, equitable and inclusive space for people to thrive. We look forward to reporting more on our progress next year.

➔ **OUR BRAND CUSTODIANS**  
**See the opening pages of the Annual Report**

## HUMAN RIGHTS

### WHY IT MATTERS...

Integrity is at the heart of what we do and how we show up at Dr. Martens. We expect high standards of each other and our supply partners. Human rights is a key area for our business and as a result we are committed to respecting the rights of our people and those in our supply chain.

### WHAT WE'RE DOING...

At DM's, we are strongly committed to respecting human rights. This commitment is described in our policies, standards, and strategies, including the DOctrine - our business Code of Conduct, our Supplier Code of Conduct, as well as our Diversity, Equity & Inclusion strategy.

Over the past year, we have continued to expand our CSR monitoring programme across our Key Tier 2 supplier factories to ensure our extended supply chain meets our expected standards. Covid-19 has continued to cause significant disruption to supply chains globally. We have held true to our values and have been committed to showing up with integrity for our suppliers, which you can find on page 32.

We also recognise that the pandemic and other world events often have the greatest impact on some of the world's most vulnerable people. This is why our actions to uphold the standards expected of our supply chain, and tackle issues such as modern slavery, are now more important than ever. At DM's we believe knowing our supply chain, education and collaboration are key.

**Speak up:** We have an independent, confidential hotline as a means for Dr. Martens employees to raise concerns and grievances relating to human rights, harassment, or any other area covered in our policies and values.

As well as continuing to expand our CSR monitoring programme, this year we have also focused on increasing the modern slavery awareness of our people:

- **Training:** We delivered tailored modern slavery training with key internal teams such as our owned and operated UK distribution management level staff.
- **E-learning:** We have a human rights training module available for employees on our training hub. We have also been working on the development of an internal modern slavery training e-learning module which is due to be rolled out globally in FY23.





## COMMUNITY

### WHY IT MATTERS...

At DM's we take pride in the fact that we stand up and support each other as a global community. We want our people to feel empowered to support the causes they feel most passionately about. It's more important than ever that we come together to support one another through giving back.

### WHAT WE'RE DOING...

We have a history of supporting causes that work to advance social justice issues, including support for anti-racism, LGBTQIA+ rights, and mental health initiatives - all of which we know our people are passionate about. Over the past year, this impact has been amplified through our efforts as a company, as well as by the Dr. Martens Foundation.

**Volunteering:** We encourage our employees to use their two-day volunteering allowance to support a charity of their choice. In 2021, Juneteenth was also added as a paid holiday in the Americas, with employees encouraged to use their time to give back to their local communities.

- This year, Dr. Martens plc supported a number of global charities through donations including The Trevor Project in the US, Albert Kennedy Trust, Le Refuge and Jugend gegen Aids in EMEA and ReBit in APAC. For more on how we are championing LGBTQIA+ causes see page 82.
- In the US, in November 2021, we celebrated Giving Tuesday rather than Black Friday. Dr. Martens matched the donations of consumers raised through our social channels in the US, and in total over \$150,000 was raised and donated to The Trevor Project.

### Dr. Martens Foundation

Established during the pandemic, the Dr. Martens Foundation was created to support causes which exist to advance social justice.

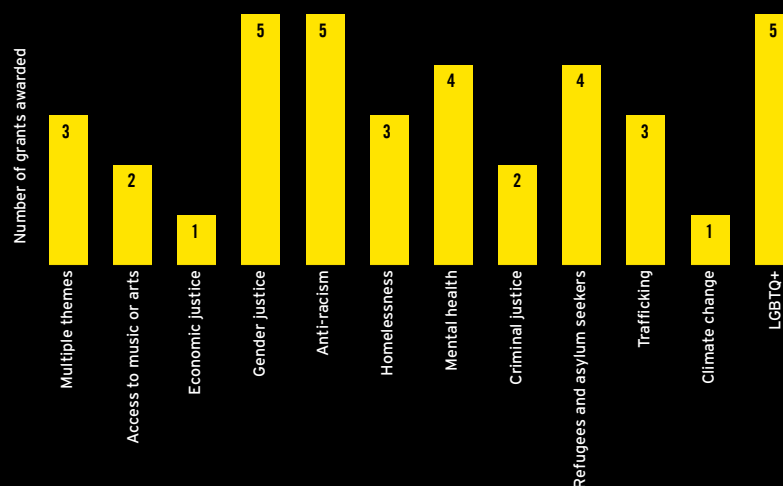
The Foundation is an independent UK registered charity, with charity status being granted in May 2021. It is overseen by a five-person Board of Trustees, including two Dr. Martens employees and three independent Trustees.

The Foundation has a 'depth and breadth' approach to funding, directly supporting under-served communities who are struggling with day-to-day injustices, whilst also supporting causes which tackle some of the systemic causes of those injustices.

It does this by funding grassroots organisations that can help local communities with their immediate needs, whilst also providing larger, longer-term funding to a small number of organisations that advocate for change at a national level. So far, 38 grassroots grants have been awarded to charities globally, with the main themes supported in the table below.



#### THEMES FUNDED BY THE DR. MARTENS FOUNDATION IN FY22



# 38

Grassroots grants awarded by the Dr. Martens Foundation

## Sustainability continued

Three examples of organisations which received a grassroots grant can be seen below. In March 2022 the Foundation made three emergency grants to humanitarian organisations supporting civilians who have been displaced from Ukraine.

### The Dr. Martens Foundation has donated £735,830 to 41 organisations.



**Region:** California, USA

House of Ruth serves individuals and families who are impacted by domestic violence. It delivers holistic, survivor-driven advocacy by helping people respect their right to self-determination and identify and set their own goals. In the long term, it aims to help eradicate domestic violence by investing in prevention strategies. The funding will help House of Ruth support domestic violence survivors throughout 2022.



**Region:** United Kingdom

Micro Rainbow supports the integration of lesbian, gay, bisexual, trans, queer and intersex (LGBTQI) people who flee persecution and come to the UK in search of safety. It implements a holistic approach to integration by offering safe housing, social inclusion and employability support. The funding will run a free helpline in Pashto to support LGBTQI people who are fleeing Afghanistan and will also offer integrated support while they settle in the UK.



**Region:** Hong Kong

ImpactHK works with people experiencing homelessness by helping them settle in a safe home, restore their mental and physical wellbeing, build their self-esteem and increase their social capital. The funding will allow ImpactHK to deliver ten outreach activities a week across the city, link up with other services and provide emotional support to those experiencing homelessness.



**GOLSANA BEGUM**  
DR. MARTENS FOUNDATION MANAGER



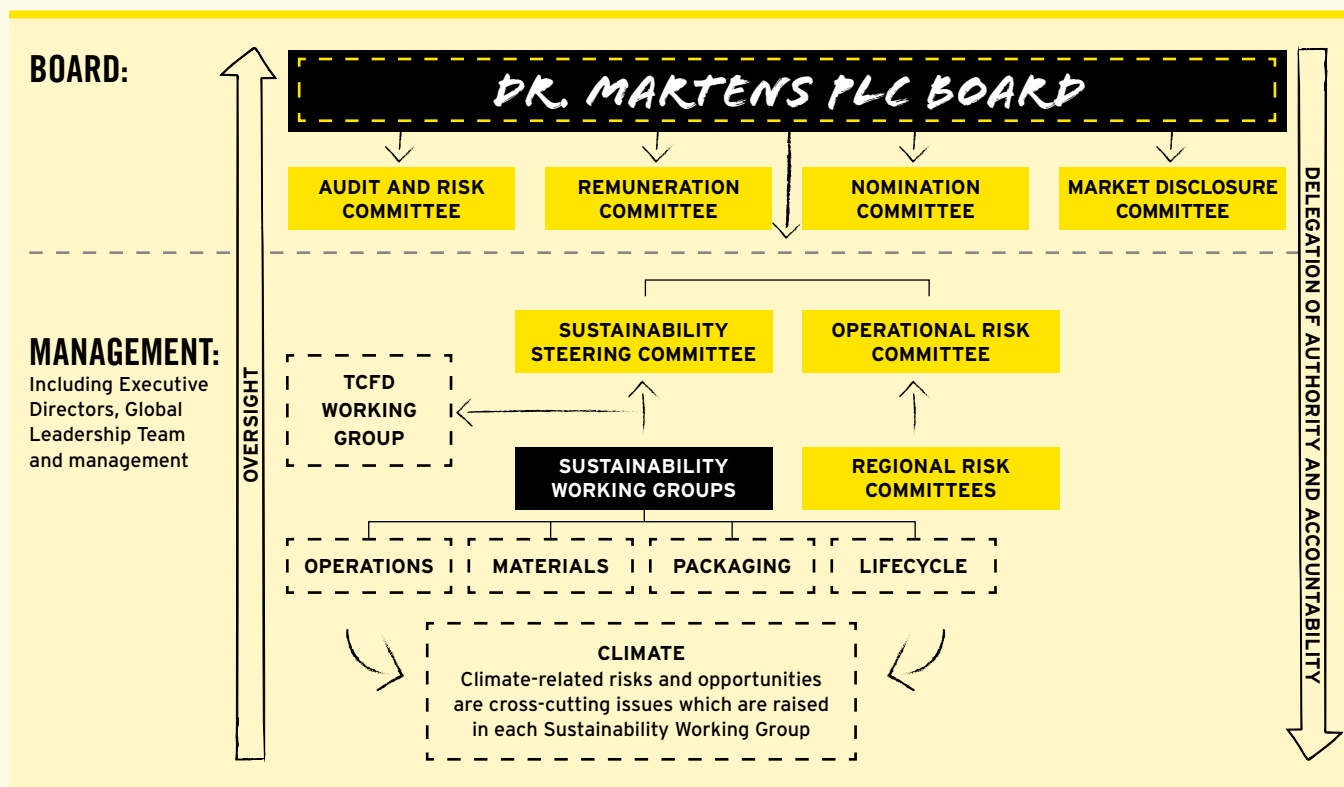
The Foundation has come a long way since its inception in 2021 and has already supported so many passionate and inspiring organisations across the globe. It's looking forward to doing more, going further and becoming a fearless champion of social justice.

### WHAT'S NEXT?

The next priority for the Dr. Martens Foundation will be selecting organisations who have national-level impacts on racial, gender and LGBTQIA+ rights across the three regions of North America, Europe and in the Asia Pacific.

The focus going forward is to develop a robust grant management and learning strategy to ensure that the organisations it partners with can grow and learn from each other.

# SUSTAINABILITY GOVERNANCE



At Dr. Martens, responsibility and integrity forms the foundation on which our governance is built. We have a robust governance structure and risk management framework, which you can read more about on pages 97.

## Sustainability governance

Our overarching sustainability strategy is sponsored by our GLT Sustainability Lead, Emily Reichwald. Our sustainability strategy is overseen by the Sustainability Steering Committee, which is chaired by our CEO, Kenny Wilson. Its members include the COO, CPO, CMO, CHRO and other key functional heads. The Sustainability Steering Committee reports directly to the Board and provides regular updates to help determine the focus and direction of the strategy. Throughout FY22, the Sustainability Steering Committee met every six weeks.

During the year we have adapted the sustainability governance structure to support our new Planet, Product, People strategy. This new approach, with Working Groups feeding into the Sustainability Steering Committee six times a year, was adopted in April 2022, and is set out in more detail in our TCFD disclosure on page 90.

## Policies

Our policy needs are regularly reviewed by our Legal, Compliance and Sustainability teams which work collaboratively together. Policies are developed by using international standards and by looking at best practices across the industry. They are reviewed by the Board before being rolled out.

Our key ESG policies can be found here:

- The DOctrine, our business Code of Conduct, including:
  - Anti-Bullying, Discrimination and Harassment;
  - Data Protection;
  - Health and Safety;
  - Human Rights and Ethical Trade;
  - Anti-Bribery, Corruption and Fraud;
  - Competition Law/Anti-Trust;
  - Confidential Information;
  - Conflict of Interest; and
  - Whistleblowing;
- MIE Environmental Policy;
- Anti-Slavery and Human Trafficking Policy;
- Animal Derived Materials Policy;
- Sanctions Policy; and
- Third Party Due Diligence Policy

## Supplier policies

We have a number of policies and procedures to ensure our suppliers comply with our business terms, as well as employment, environmental and other relevant laws and regulations. We have contractual provisions that require our agents, distributors and franchisees to also comply with the same terms:

- Supplier Code of Conduct;
- Migrant Worker Policy; and
- Environmental Standards.

## Compliance and training

Our global compliance and training platform allows consistent and relevant policies and training materials to be distributed to our employees across all regions in relevant languages. It also provides live views and up to date reporting and monitoring of the business's progress rate, therefore allowing targeted training and communication where needed. Training modules for all Dr. Martens employees include modules on Human Rights, Financial Crime (including Anti-Bribery and Corruption), Acceptable Usage and Cyber Security. All employees are also required to read and agree to our Anti-Bribery and Corruption Policy at the beginning of their employment and whenever it's updated.



# SASB REFERENCE TABLE

The Sustainability Accounting Standards Board (SASB) Foundation is a not-for-profit, independent standards-setting organisation that aims to establish and maintain industry-specific standards. This table identifies the standards deemed relevant to the Apparel, Accessories & Footwear industry, as defined by SASB's Sustainable Industry Classification System (SICS). It references the location in our Annual Report that responds to each metric. There are, historically, some areas where information has not been captured, however we are working to improve our data systems in order to collect and monitor all required data.

METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1.	Quantitative	Number	CG-AA-000.A	We have 14 Tier 1 footwear assembly factories and 9 accessories suppliers. More information can be found on page 70 (Global Supply Chain).
<b>MANAGEMENT OF CHEMICALS IN PRODUCTS</b>				
Discussion of processes to maintain compliance with restricted substances regulations.	Discussion and analysis	N/A	CG-AA-250a.1	See social and environmental management within the Global Supply Chain (pages 70 to 72).
Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products.	Discussion and analysis	N/A	CG-AA-250a.2	See social and environmental management within the Global Supply Chain (pages 70 to 72).
<b>ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN</b>				
Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement.	Quantitative	Percentage (%)	CG-AA-430a.1	100% of our leather suppliers that conduct wet processing comply with the LWG protocol, which is aligned to ZDHC, and Dr. Martens wastewater requirements as outlined in our Supplier Environmental Standard. For more information see the Leather section (pages 75) and Social and environmental management within the supply chain (pages 69 to 72).  All Tier 1 suppliers must sign our Environmental Standards agreement, which includes our wastewater management and effluent treatment requirements.
Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment.	Quantitative	Percentage (%)	CG-AA-430a.2	In FY22 we maintained ISO 14001 accreditation at our Tier 1 Made In England manufacturing site. We want to lead by example, and over the coming years we will support our other Tier 1 suppliers to introduce an environmental certification standard, such as ISO 14001, by 2025.  Currently, 14% of our Tier 1 footwear assembly supplier factories have an environmental certification. We will continue to engage with the rest of our Tier 1 suppliers to report the baseline in FY23.

METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
<b>LABOUR CONDITIONS IN THE SUPPLY CHAIN</b>				
Percentage of (1) Tier 1 supplier facilities, (2) supplier facilities beyond Tier 1 that have been audited to a labour code of conduct and (3) percentage of total audits conducted by a third-party auditor.	Quantitative	Percentage (%)	CG-AA-430b.1	<p>(1) All our Tier 1 suppliers are required to sign our Master Supplier Agreement, which includes a Code of Conduct and Migrant Worker Policy. 100% of our Tier 1 suppliers have been audited and surpassed our required CSR criteria. For more information see Social and environmental management within the supply chain (pages 69 to 72).</p> <p>(2) All of the tanneries we source leather from are LWG certified, for which a recognised social audit is now a requirement.</p> <p>(3) 100% of our Tier 1 CSR audits were conducted by a third-party auditor.</p>
Priority non-conformance rate and associated corrective action rate for suppliers' labour code of conduct audits.	Quantitative	Rate	CG-AA-430b.2	100% of our Tier 1 suppliers audited in FY22 achieved the highest rating in the CSR audit (Intertek WCA monitoring programme). We audit our active Tier 1 suppliers at least annually.
Description of the greatest (1) labour and (2) environmental, health and safety risks in the supply chain.	Discussion and analysis	N/A	CG-AA-430b.3	See social and environmental management within the supply chain (pages 70 to 72), Materials (pages 74 to 76) Climate and carbon (pages 66 to 68) Governance and policies (page 87)
<b>RAW MATERIALS SOURCING</b>				
(1) List of priority raw materials; for each priority raw material: (2) environmental and/or social factor(s) most likely to threaten sourcing, (3) discussion on business risks and/or opportunities associated with environmental and/or social factors, and (4) management strategy for addressing business risks and opportunities.	Discussion and analysis	N/A	CG-AA-440a.3	See Materials (page 74), Packaging (page 77) TCFD report (page 90) and Risk Management (page 97).
(1) Amount of priority raw materials purchased, by material, and (2) amount of each priority raw material that is certified to a third-party environmental and/or social standard, by standard.	Quantitative	Metric tons (t)	CG-AA-440a.4	From AW21, 100% of our upper leather came from LWG certified tanneries. From SS22, all other specified leather, including linings, leather goods, laces and footbeds, also came from LWG certified tanneries. More information can be found on page 75 (Leather). Historically, this information has not been collected for PVC. We are working to install the internal systems to monitor progress against our sustainable materials Commitments to the required unit of measure.