



INVESTING IN A MORE EQUAL FUTURE

GENDER PAY GAP REPORT 2022

FOREWORD

AT DR. MARTENS, WE'VE ALWAYS STOOD BY PEOPLE WHO DARE TO BE DIFFERENT. WE'RE PROUD OF THE DIVERSITY OF OUR WEARERS, AND WE WANT OUR WORKFORCE TO REFLECT THAT TOO. WE'RE DRIVEN BY OUR BELIEF THAT BUSINESSES THRIVE WHEN THEY HARNESS THE BENEFITS OF A TRULY INCLUSIVE CULTURE, AND PEOPLE CAN BE THEMSELVES AT WORK.

In my new role as Chief People Officer, I want to nurture openness and belonging in Dr. Martens and create a workplace where everyone is supported to reach their full potential.

In this report, we provide our gender pay gap information for our UK business. We identify the causes of the gap and outline our plans for closing it. We're committed to delivering current and new initiatives to improve how we attract, engage, and develop women, as well as other under-represented groups.

And while this report covers our UK business, we always look at this issue from a global standpoint. The initiatives we outline in the following pages will apply across our global business, as we try to ensure fairness and equity for all our employees, no matter where they work.

We've received welcome recognition of our efforts so far, featuring as a top performer in the FTSE Women Leaders report. We were placed 5th in the FTSE 250 ranking for representation of women in leadership, and top in our sector. On a global level, we are proud that of the quarter best paid people in Dr. Martens the majority (52%) are women.

But we're clear on our ambition to go further, and we will deliver more opportunities for women, as we move towards making Dr. Martens a company even more women want to join.

It's disappointing that our median gender pay gap has increased slightly over the year covered by this report. There are reasons behind this, but there can be no let-up in focus on taking clear, decisive steps to close the gap and this is why we are taking action through our DE&I targets, which are set out in our Annual Report.

One of our values is "Be Yourself" and it is important to us as a brand, and as a business, that our people feel they can be themselves at work.

We must focus on ensuring fairness among our employees. My board colleagues and I are 100% committed to doing this. Like many professional women, I feel a responsibility to challenge any barriers to progress on gender equality, conscious or otherwise.

We're determined to deliver an effective and successful plan for diversity, equity and inclusion. We recognise it's crucial to our future as a successful business. You can read more about our wider strategy on page 9.



EMILY REICHWALD
Chief People Officer

MEASURING THE PAY GAP

The gender pay gap shows the difference in average pay between women and men. It doesn't measure equal pay, which relates to what women and men are paid for the same job, or work of equal value.

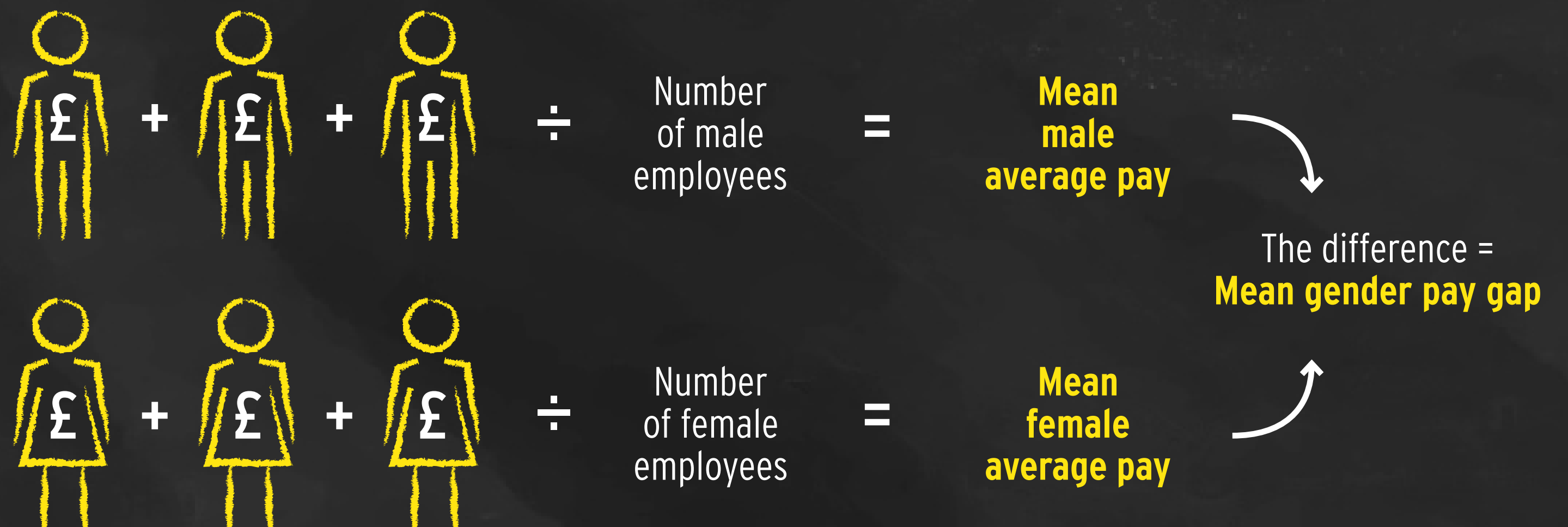
The UK government asks all companies with more than 250 employees to report their gender pay gap, as both a mean and a median figure. We explain how we calculate these figures below.

We also report mean and median bonus gap figures, along with the percentage of men and women who got a bonus.

Finally, we report the male/female split in each of our pay quartiles - the highest paid quarter of employees, the next highest quarter, and so on.

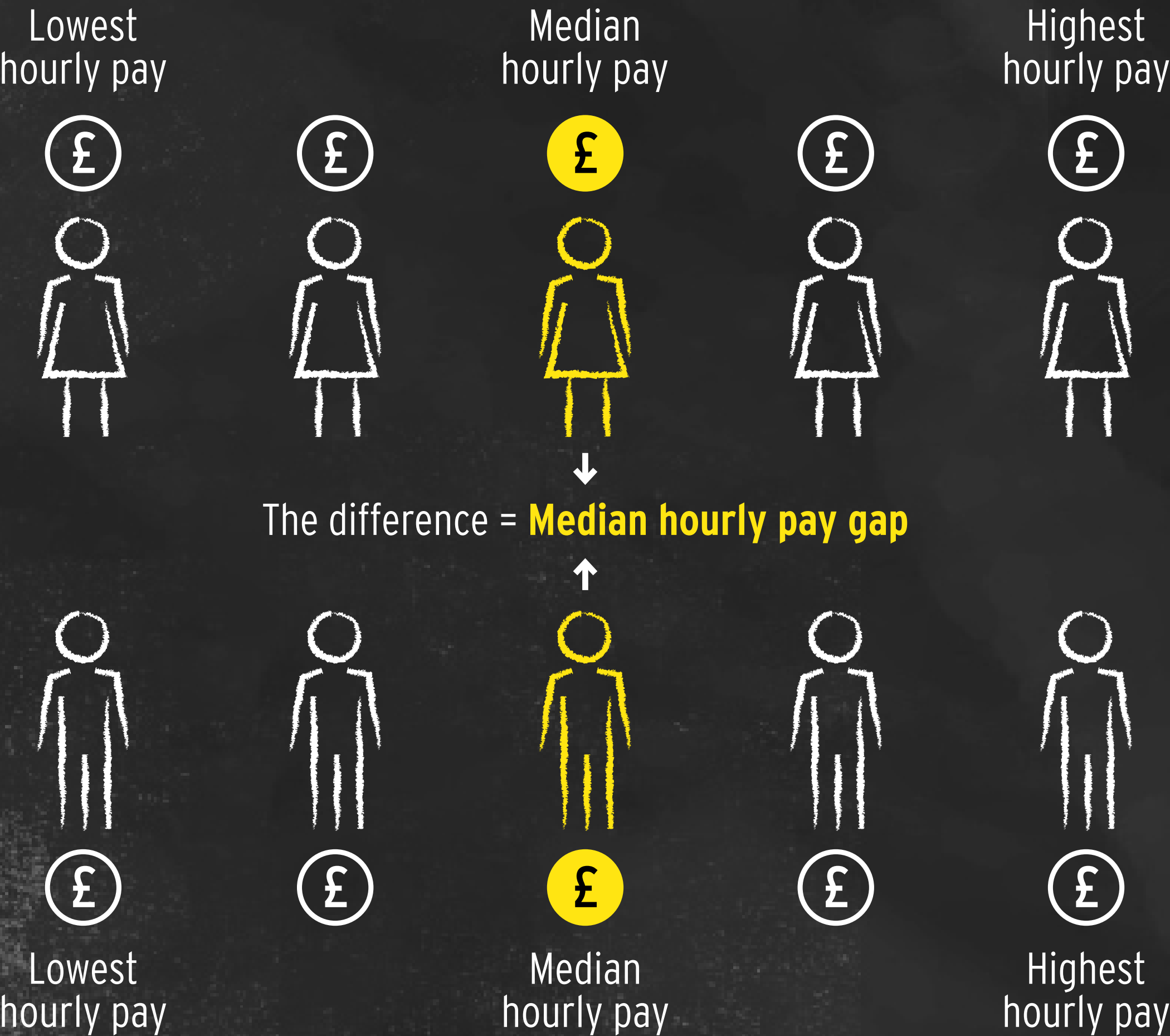
HOW WE CALCULATE THE MEAN PAY GAP

The mean is a simple average. We add together the hourly pay of all women at Dr. Martens and divide this figure by the number of women employed. We then do the same for men. The difference between the two is the mean gender pay gap.



HOW WE CALCULATE THE MEDIAN PAY GAP

If all Dr. Martens' female employees were lined up in order of hourly pay from the highest to the lowest paid, the median is the woman in the middle of the line. The median gender pay gap compares the pay of the middle woman and the middle man.



UNDERSTANDING OUR PAY GAP

In 2022 our mean gender pay gap fell slightly, and our median gender pay gap increased slightly.

	2022	2021	Difference
Median gender pay gap	18.9%	17.5%	▲ 1.4%
Mean gender pay gap	26.5%	27.9%	▼ 1.4%

WHY DO WE HAVE A GENDER PAY GAP?

There are two main reasons behind our gender pay gap.

Firstly there are more men than women in the most senior jobs in Dr. Martens - Directors and level 1 roles in the UK. We've made great progress in making the top of our global organisation more equal - and of the quarter best-paid employees in the business, 52% are now women. In the FTSE Women Leaders report, we were placed 5th in the FTSE 250 index for representation of women in leadership. But we still have work to do to make sure women are better represented in the very top jobs.

The second reason is that there are more women than men in our lowest paid roles, the majority of which are in our stores. More than half of Dr. Martens employees are level 6 - our lowest grade - and 70% of them are women. This

brings the average pay for women across the organisation down.

WHY HAS THE MEDIAN GAP INCREASED?

Our median gender pay gap has increased slightly this year because the male/female split at level 6 (such as our store staff) has changed slightly. Last year 68% of these roles were filled by women, and this has risen to 70%.

CLOSING THE GAP

We're fully committed to tackling our gender pay gap. Our Diversity, Equity and Inclusion strategy sets out our plan to accelerate more women into senior roles, both through progression within the business and through recruitment. Our target is to have 50% of our top jobs filled by women in the next three to five years.

SPECIFIC INITIATIVES TO HELP US HIT THIS TARGET INCLUDE:

- Working with Catalyst, a global non-profit organisation which helps companies build workplaces that work for women. Catalyst provides holistic solutions which equip companies with the strategies and tools they need to make changes and measure their impact.
- Using both data and qualitative feedback to understand the experiences of women at Dr. Martens. We want to understand why women are leaving our business at points where they might otherwise be promoted, so we're analysing exit interview data to inform our strategy.

- We plan to use data collected from our self-ID scheme to cut across race, gender and other identities and give us a more complete picture of our workforce. This data will give us actionable insights we can use to optimise our diversity, equity and inclusion strategy.
- We're conducting a talent acquisition audit to help us improve the way we recruit and remove any biases.

We're also taking action to redress the balance in our lower paid retail roles. It's great that we're a flexible and attractive employer for women, but we need to get more men working in our stores to better reflect our customer base. In three to five years we're aiming to increase male representation across retail stores to 40% from the current 30%.

SPECIFIC INITIATIVES HERE INCLUDE:

- A more targeted approach in attracting more males into our store-based roles.
- Launching a talent hub with tools for managers who need support on recruitment, and guidance to make sure they're following a fair and inclusive hiring process.
- Reducing manager discretion when it comes to pay increases, so we can remove the potential for bias.

By reaching these targets we'll make significant progress towards closing, and eventually eliminating our gender pay gap.

UNDERSTANDING OUR BONUS GAP

In 2022 our mean bonus gap fell, and our median bonus gap increased significantly.

	2022	2021	Difference
Median bonus gap	32.4%	17.8%	▲ 14.6%
Mean bonus gap	51.3%	59.0%	▼ 7.7%

WHY DO WE HAVE A BONUS GAP?

Dr. Martens is a successful business, and this means we've been able to pay competitive bonuses in 2022. Both the median and mean bonus gaps reflect the higher proportion of men in the most senior roles, where bonuses are higher.

In 2022, 82% of women received a bonus and 77% of men.

WHY HAS THE MEDIAN GAP INCREASED?

There are two reasons why our bonus gap has increased this year.

In 2021 we listed our shares on the stock market. All staff were given an extra bonus relating to the listing. The amount of this bonus was the same for all employees, no matter what their role level. This meant a large increase in bonuses among our lowest paid employees, who are mostly women.

This temporarily increased the median woman's bonus in 2021, which has now fallen back this year because there was no extra bonus.

In 2022 we had a slightly higher turnover rate among our lowest paid employees (who are mostly women). This meant more new joiners who weren't eligible for a full year's bonus, which pulled the median woman's bonus downwards.

CLOSING THE GAP

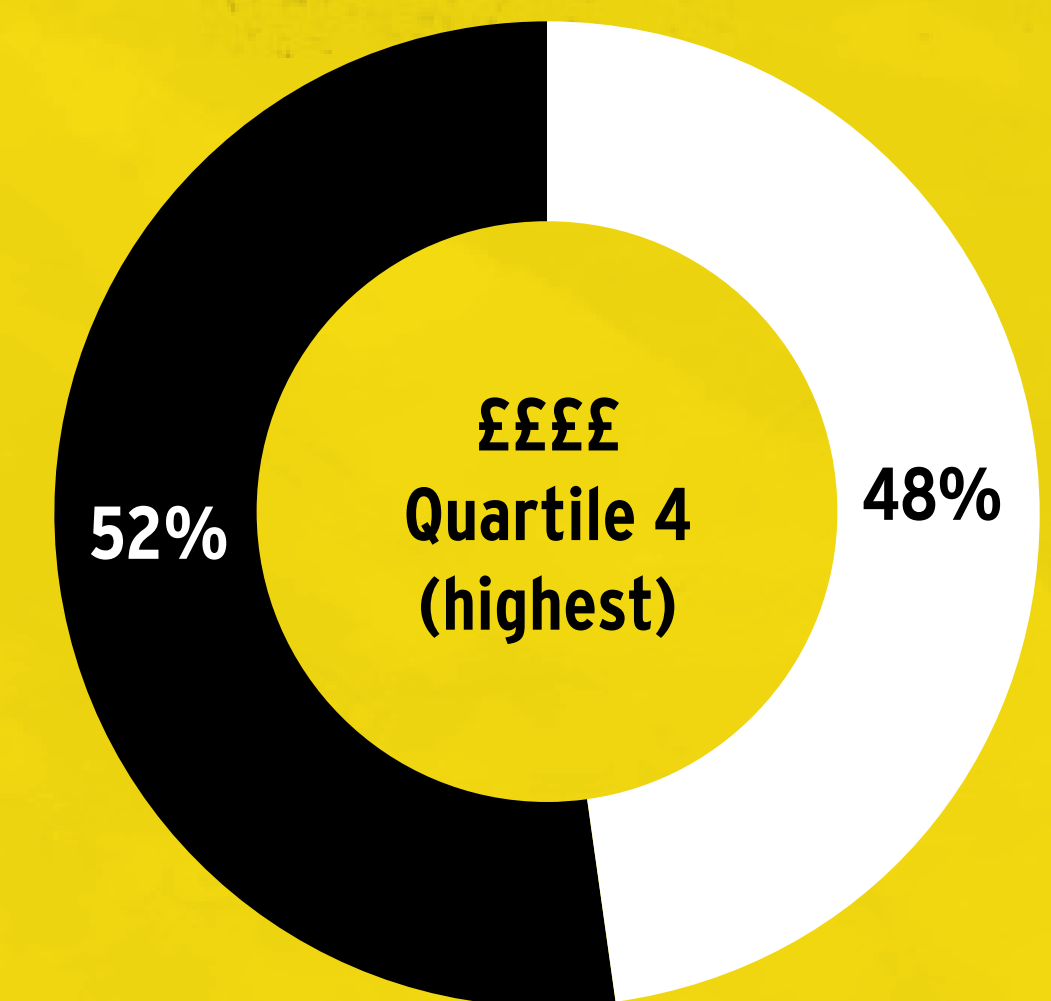
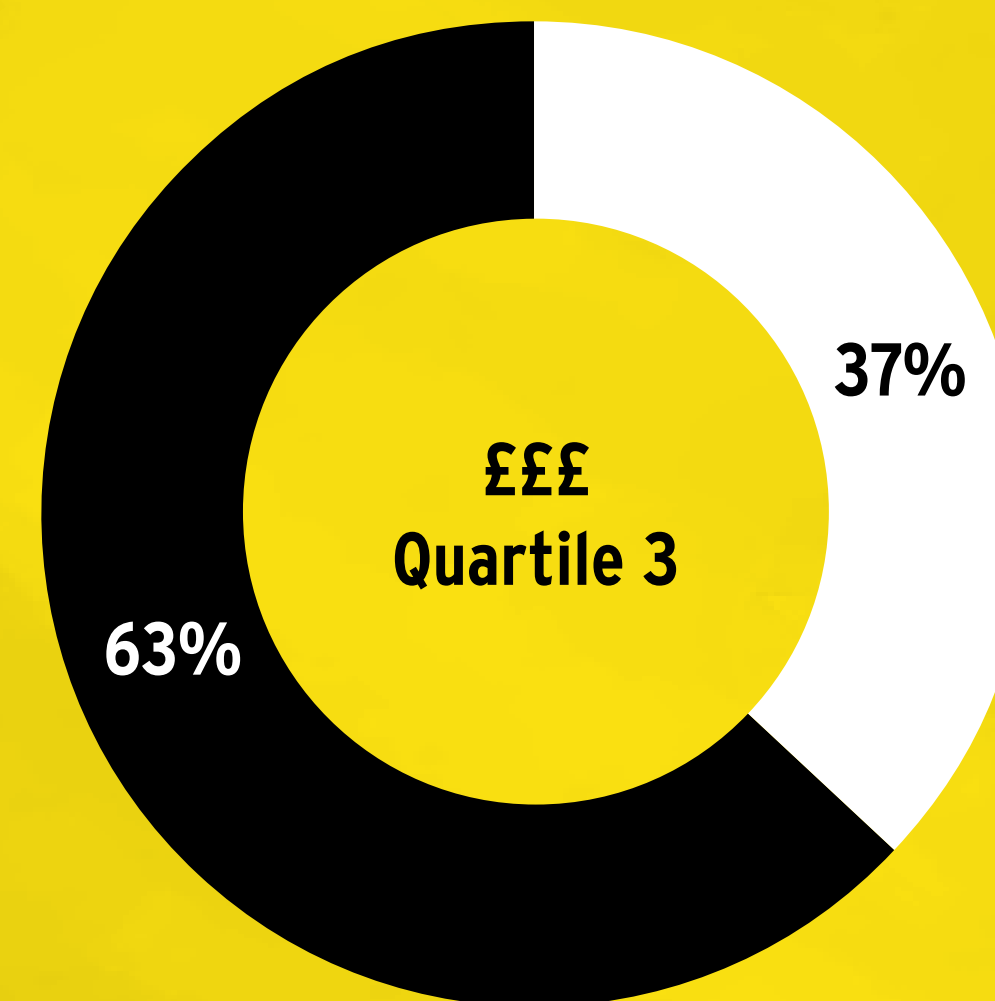
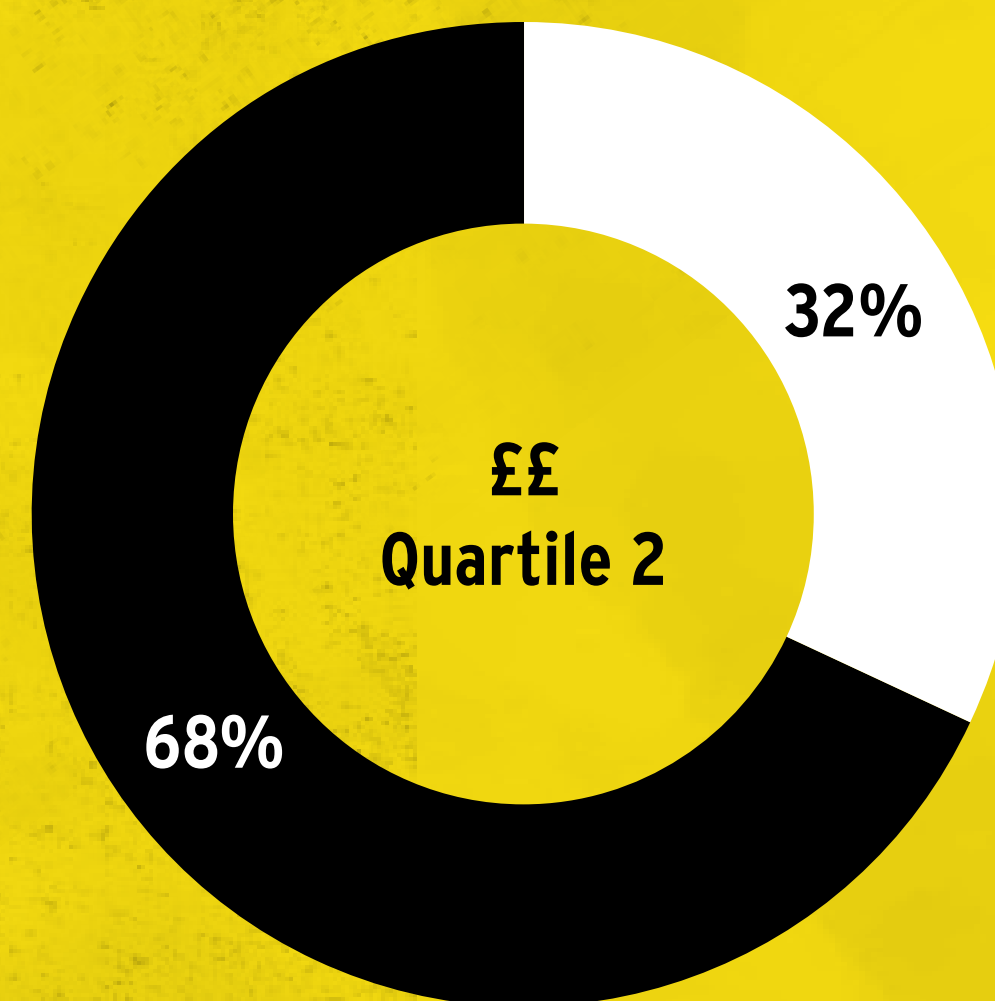
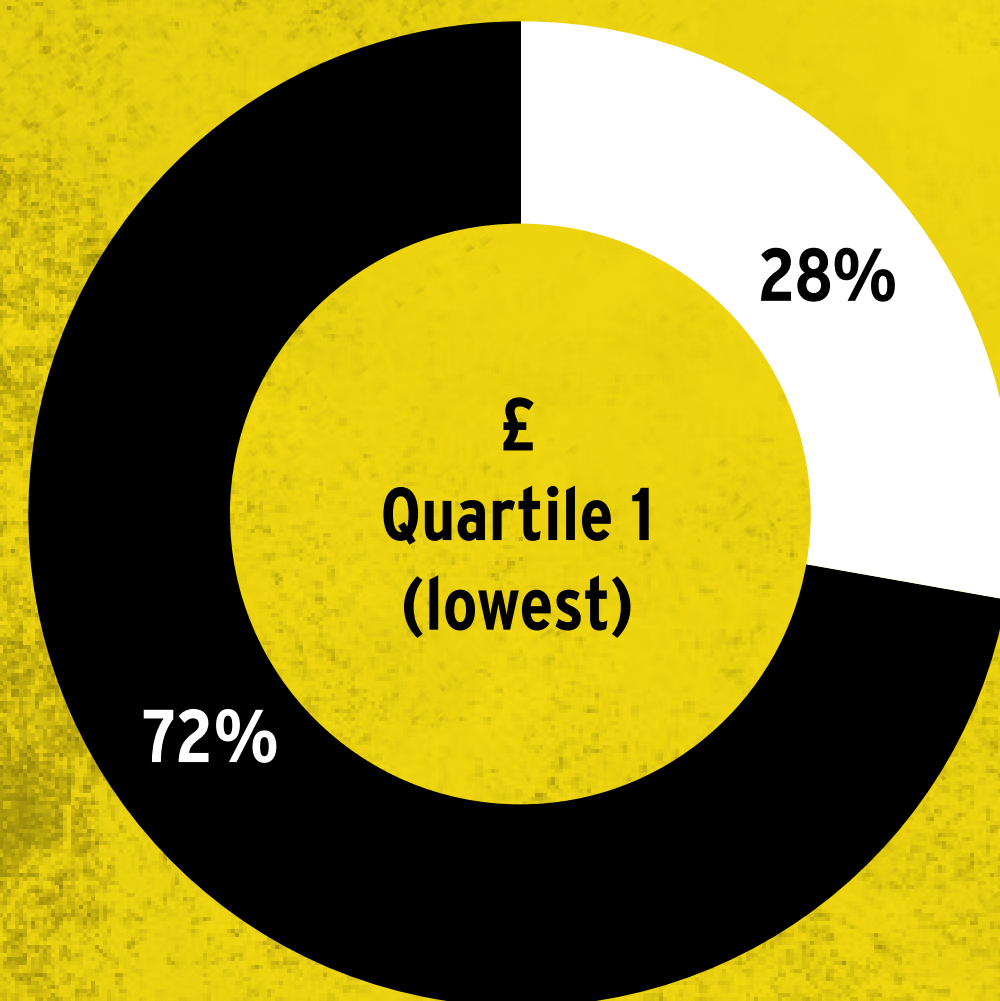
The plans we outlined on the previous page to close the gender pay gap will also reduce our bonus gap. Increasing the proportion of women at the top of the organisation and increasing the proportion of men in our retail stores will mean the average bonus for women rises and the average bonus for men falls.

OUR PAY QUARTILES

The charts below show the male/female split in each of our pay quartiles - the highest paid quarter of employees, the next highest quarter, and so on.

We're pleased to see women well-represented across our business, especially among the highest paid quarter of employees.

Male Female



OUR WIDER STRATEGY FOR DIVERSITY, EQUITY & INCLUSION

We've developed a new holistic strategy to cultivate an environment where we can all be our best. Some of our areas of focus and targets are in the table below.

Focus area	Our aims	3-5 year targets
Gender	Accelerate women into senior roles	50% women in senior leadership roles (Global Leadership Team and - 1)
	Increase gender minority representation	Increase non-binary colleagues from 2% to 4% globally Increase male
	More opportunities for men in our retail stores	representation in retail stores to 40%
Ethnicity	Increase representation of underrepresented ethnic communities across all levels	30% underrepresented communities in senior leadership roles (Global Leadership Team and - 1)
Disability	Improve accessibility to our stores, website, and offices for consumers and employees living with disabilities	