



INVESTING IN A MORE EQUAL FUTURE

GENDER PAY GAP REPORT 2023

FOREWORD

SINCE 1960, DR. MARTENS HAS SYMBOLISED REBELLION, SELF-EXPRESSION, AND EMPOWERMENT WORLDWIDE. OUR ICONIC BOOTS EMBODY THE SPIRIT OF THOSE WHO CHALLENGE NORMS AND STAND OUT PROUDLY.

Just as our wearers express themselves through our footwear, we're dedicated to fostering a workplace where everyone feels empowered to be their true selves at work. Our commitment to diversity, equity, and inclusion defines us, driving us to create an environment where all contributions are welcomed, respected, and celebrated.

True empowerment begins with embracing diversity and fairness in every aspect of our business.

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.

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.

Gender pay is an important area of focus for us, but it forms part of a much more holistic Diversity, Equity and Inclusion strategy. This is not solely focused on the UK, but across our global business. You can find more information about this, and our ambitions to embody a truly inclusive culture and provide equal opportunities for all employees, in our Annual Report.

EMILY REICHWALD

Chief People & Sustainability Officer
and Company Secretary

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.

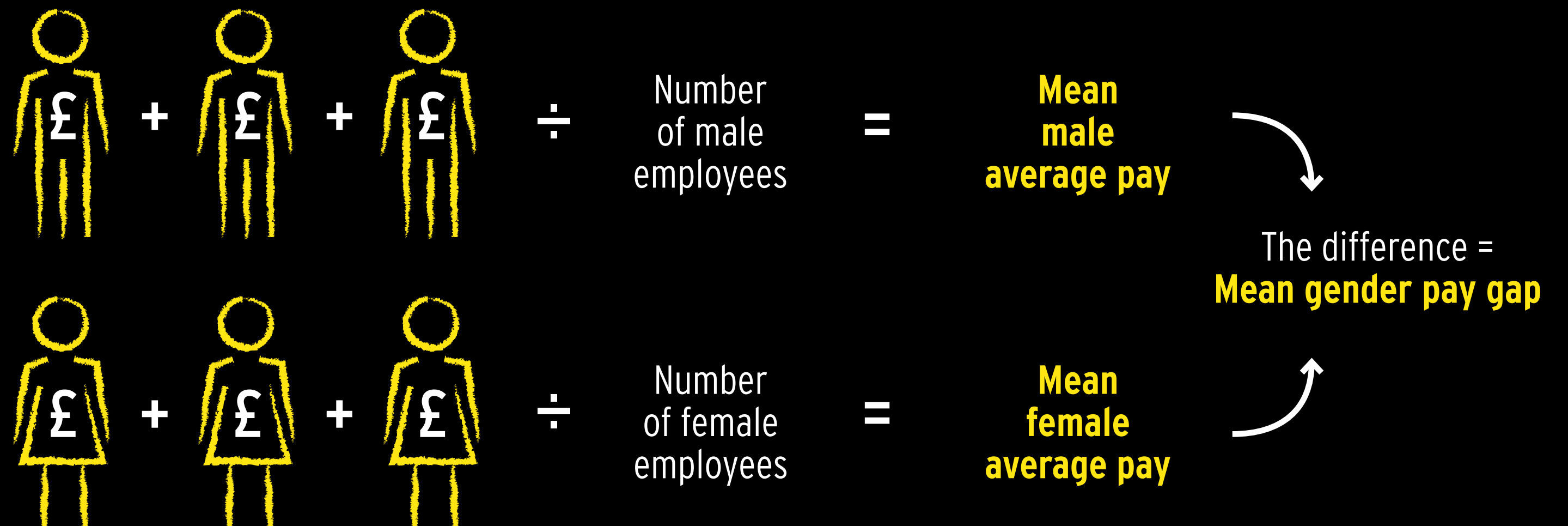
The UK government asks all companies with more than 250 employees to report their gender pay gap, as both a mean and a median figure. We explain how we calculate these figures below.

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.

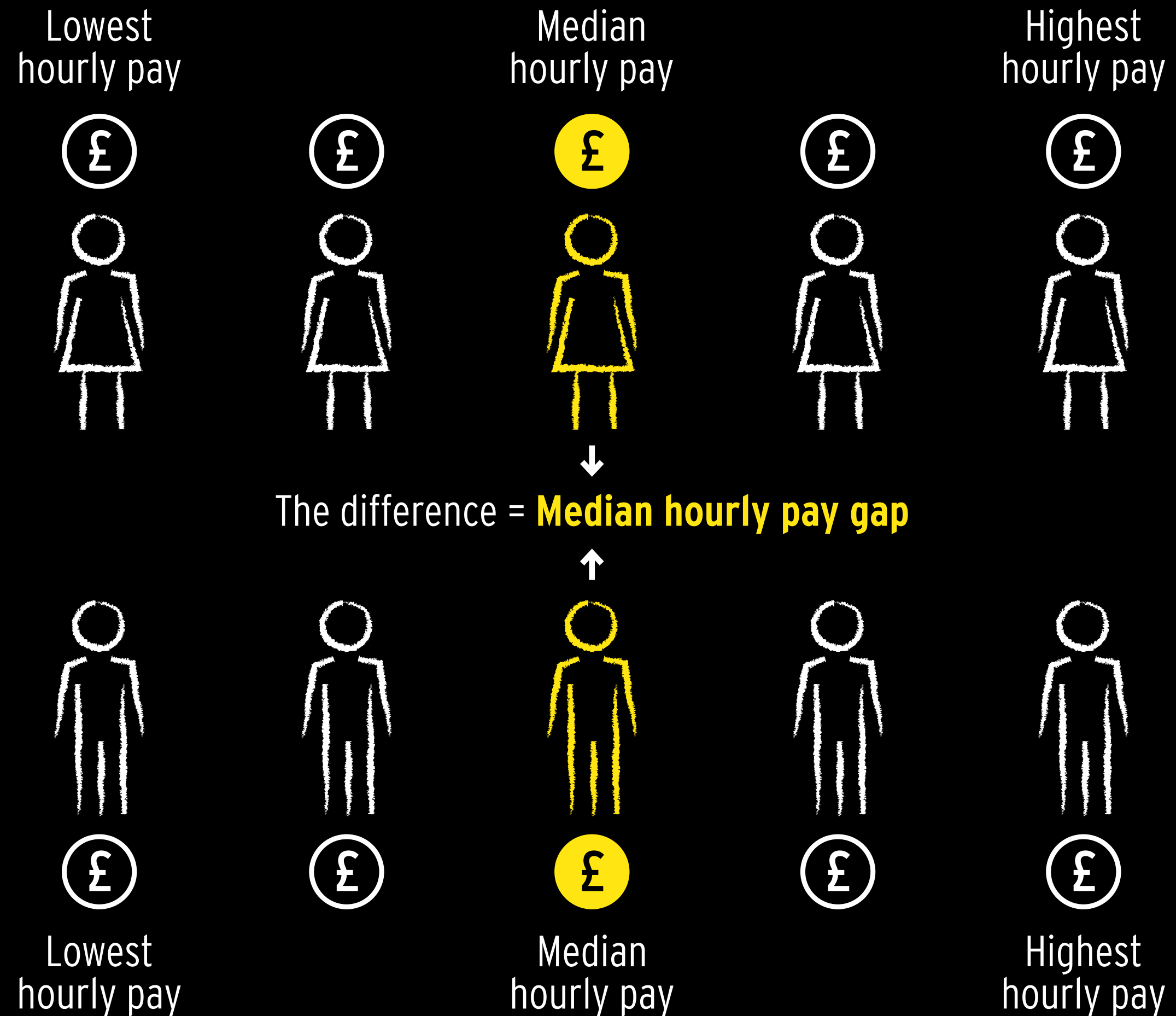
HOW WE CALCULATE THE MEAN PAY GAP

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 2023 our mean gender pay gap fell slightly, and our median gender pay gap increased slightly.

	2023	2022	Difference
Median gender pay gap	20.0%	19.9%	▲ 0.1%
Mean gender pay gap	24.9%	26.5%	▼ 1.6%

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 UK jobs - Directors and level 1 roles, and these roles have higher salaries than the rest of the organisation.

We've made great progress over the past few years in making the top of our organisation more equal - and of the quarter best-paid employees in the business, 53% are women - up from 52% last year.

In the FTSE Women Leaders report, we were placed 21st in the FTSE 250 index for representation of women in leadership. It's also important to note that the figures in this report only cover our UK business, and so senior women in other parts of the world aren't accounted for - for example our

US leadership team, which is majority female. And globally, our leadership pipeline, senior management and management teams are close to parity - at 47% female and 53% male.

Nevertheless, we know there's still plenty of work to do to make sure women are better represented in the very top jobs in the UK.

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 72% of them are women. This brings down the average pay for women across the organisation.

WHY HAS THE MEDIAN GAP INCREASED?

Just like last year, our median gender pay gap has increased slightly because the male/female split at level 6 (such as our store staff) has changed slightly. Last year 70% of these roles were filled by women, and this has risen to 72%.

CLOSING THE GAP

We're fully committed to tackling our gender pay gap. Our multi-year 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 INCLUDE:

- Linking executive bonuses to DE&I targets. In addition to a financial metric, our Global Bonus Scheme has strategic metrics, meaning a proportion of bonuses paid to senior leaders will be linked to DE&I targets.
- We continue to audit and improve recruitment methods. Our new talent hub is designed to help managers follow a fair and inclusive hiring process. We're making a concerted effort to recruit more women into senior positions, and the two newest members of our leadership team are women.
- We strive to ensure men and women get equal pay for doing equal work and this is imbedded in our activities. We're now working with expert consultants to help run an effective equal pay audit across all our regions. On the back of this, we'll be rolling out an Equal Pay Policy detailing how we try to achieve equal pay.
- Taking action to create more gender diversity in our retail roles to better reflect our customer base. In the next three to five years we're aiming to continue to recruit and retain women, non-binary, transgender, and gender expansive talent and increase male representation across retail stores.
- Since last year's report was published, we've rolled out our internal self-ID scheme, which helps us clearly identify race, gender, and other dimensions of diversity. This gives us a more complete picture of our workforce and actionable insights into where and how we can improve.
- This year we've recruited a new Global Head of DE&I, Kameelah Benjamin-Fuller. Kameelah has a strong track record of creating impactful change across a range of organisations and industries. She'll be responsible for helping the business achieve our 3-5-year targets in this area.

UNDERSTANDING OUR BONUS GAP

In 2023 our mean gender pay gap fell slightly, and our median gender pay gap increased slightly.

	2023	2022	Difference
Median bonus gap	50.1%	32.4%	▲ 17.7%
Mean bonus gap	54.8%	51.3%	▲ 3.5%

WHY DO WE HAVE A BONUS GAP, AND WHY HAS IT INCREASED?

Dr. Martens had a very strong financial performance in 2022. This meant that bonuses during the reporting period were higher than the year before. Because we still have more men than women in the most senior roles, which have a higher bonus opportunity, bigger bonuses led to an increase in both the median and mean bonus gaps. In 2023, 90% of women received a bonus, compared to 87% of men.

CLOSING THE GAP

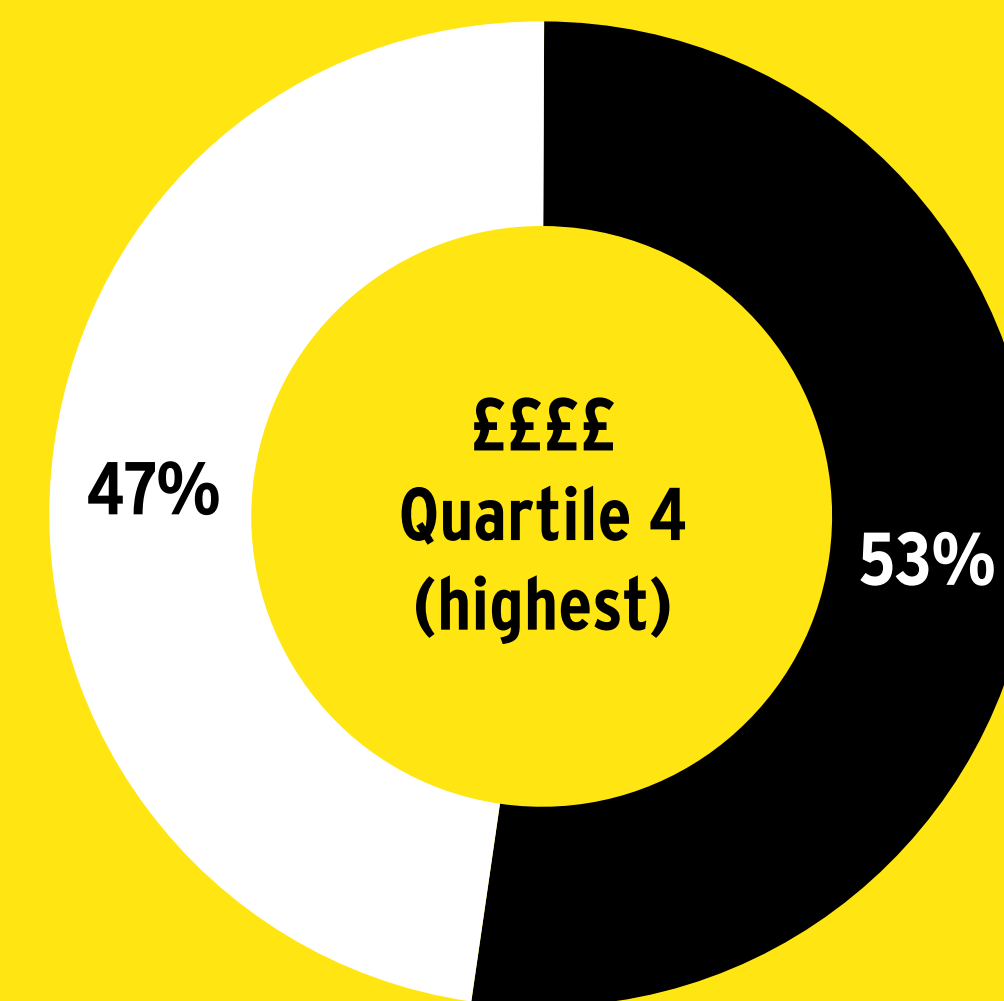
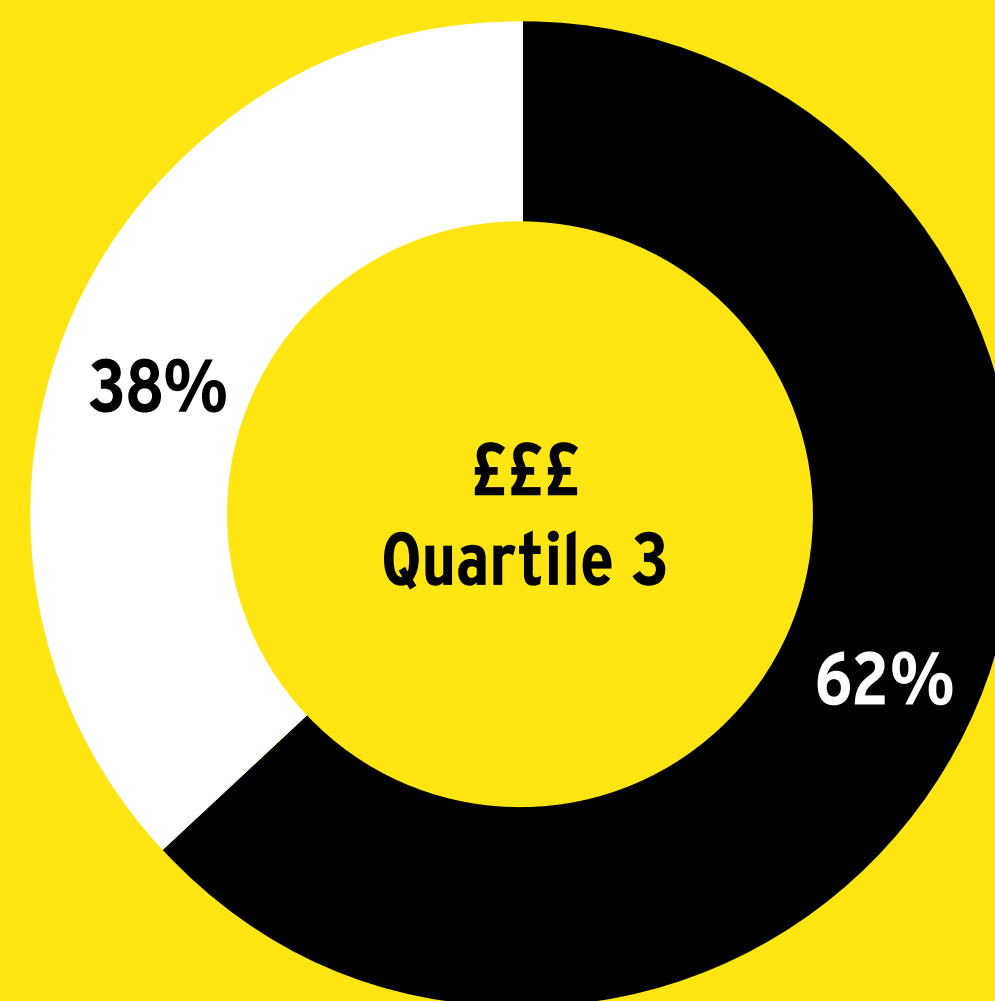
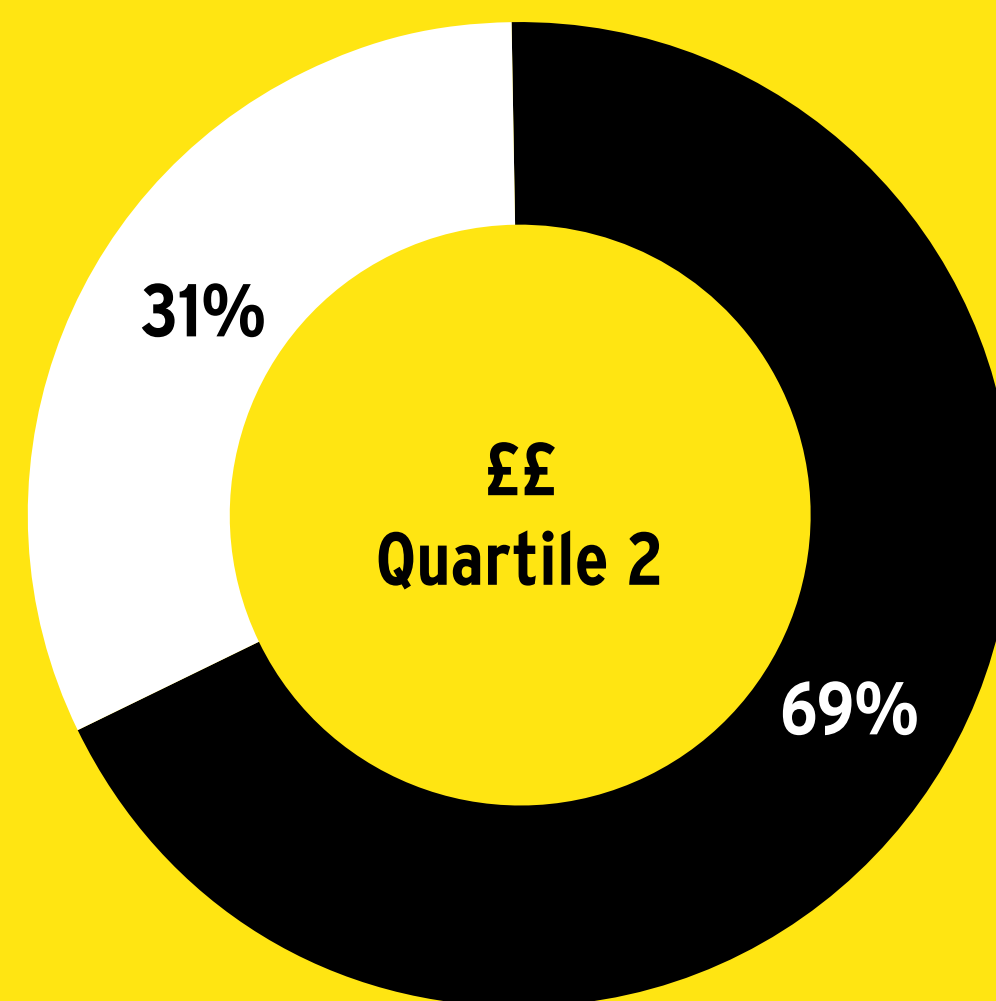
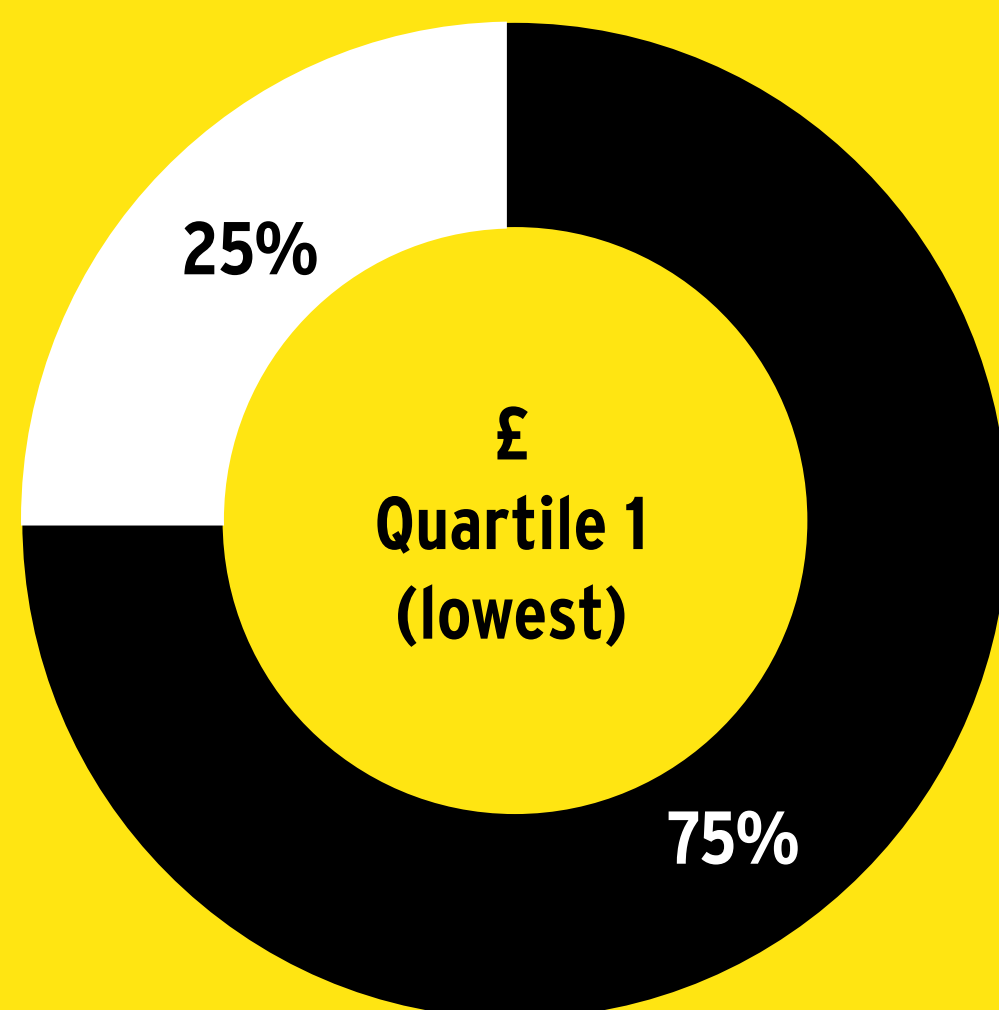
The plans we outlined on the previous page to close the gender pay gap will also reduce our bonus gap. Increasing the proportion of women at the top of the organisation and increasing the proportion of men in our retail stores will mean the average bonus for women rises and the average bonus for men 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, where women make up 53% of employees, up from 52% last year.

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 Increase gender minority representation More opportunities for men in our retail stores	50% women in senior leadership roles (GLT and -1's*) Increase non-binary colleagues from 2% to 4% globally Increase male representation in retail stores to 40%
Ethnicity	Increase representation of underrepresented ethnic communities across all levels	30% underrepresented communities in senior leadership roles (GLT and -1's*)
Disability	Improve accessibility to our stores, website, and offices for consumers and employees living with disabilities	

*-1's up until level 3