

OUR SUSTAINABILITY JOURNEY

SUSTAINABILITY THROUGH LONGEVITY

Dr. Martens products have embodied timeless design and durability for over six decades. As custodians of the brand, we are clear in our vision to build a business which embodies sustainability and delivers long-term impact. In June 2022, we launched our new sustainability strategy: Planet, Product, People, which sets out our long-term commitment to leaving things better than we found them.

We are not afraid to stand up for what we believe in, which is why sustainability underpins our DOCS business strategy (pages 30 and 31) and is reflected in our brand ethos of Rebellious Self Expression (page 8).

This section of the report sets out our journey so far and our plans for the future.

OUR PROGRESS IN FY23...

PLANET

2040

Submitted our Science-Based Targets for verification which set out our plan to become a Net-Zero business by 2040

→ P70

91%

Sourced 91% of the electricity for our owned and operated EMEA sites (including UK) from renewable sources

→ P71

PRODUCT

35%

Removed non-recyclable plastic foam divider across 35% of the AW23 footwear volume

→ P81

INVESTED

in a leading recycled leather producer, to support industry-wide adoption of innovative and circular materials

→ P80

RECOMMERCE

Repair and resale trial successfully launched in the UK

→ P83

PEOPLE

100%

100% of our Tier 1 and Key Tier 2 suppliers CSR audited met our high standards¹

→ P95

£2.4M

Dr. Martens Foundation launched the 'Right to Be' flagship programme and awarded 34 organisations a total of £2.4 million

→ P92

1. Audit results above 75% scoring for Tier 1, and above 70% for Key Tier 2, in line with Intertek Workplace Conditions Assessment scoring methodology.



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MORE ONLINE

- Our materiality assessment
- Our impact on the Sustainable Development Goals (SDGs)

🔗 Find out more at: [drmartensplc.com](https://www.drmartensplc.com)

A WORD FROM OUR SUSTAINABILITY LEADERS



TUZE MEKIK
GLOBAL HEAD OF SUSTAINABILITY

EMILY REICHWALD
CHIEF PEOPLE AND SUSTAINABILITY OFFICER

→ **OUR SUSTAINABILITY
JOURNEY SO FAR...
AND WHERE WE WANT
TO GET TO**



2019

Launch of Dr. Martens
first 5-pillar sustainability
strategy

2021

Dr. Martens plc
IPO

Dr. Martens has stood the test of time for over six decades. Our Planet, Product, People sustainability strategy was introduced last year with the guiding principle being 'to leave things better than we found them'. It is this approach which we believe will support the resilience of our brand into the next 60 years and beyond.

Sustainability is an evolving and ongoing journey, but one that we are proud to have made good progress on over the past year. A key focus has been on deepening our understanding of our environmental impacts, through our carbon footprint which we have measured for the second time and modelling our Net-Zero science-based targets. This has

been a hugely educational process and we recognise the challenge ahead, but we are confident in our long-term destination.

We were excited to see the success of our first repair and resale trial in the UK. This is now ongoing and the learnings are being used to expand our recommerce offering into the USA, which is in the final stages of planning. We also made strides on our journey towards circularity with investment in our new materials innovation partner, Gen Phoenix.

This year, another key moment was the culmination of an extensive deep dive into our culture, looking into what Rebellious Self Expression means to us. We celebrated with the launch of our new values, which capture the true spirit of what it means to work for Dr. Martens: be yourself, act courageously and show you care. We are also delighted with the impact the Dr. Martens Foundation has had through the 'Right to Be' programme and grassroots grants.

This is our third Sustainability report - here we outline the key progress we have made over the past year. We hope you enjoy.

EMILY REICHWALD
Chief People and Sustainability Officer

TUZE MEKIK
Global Head of Sustainability

FOCUS

Linking Executive remuneration to the achievement of our sustainability commitments

Our Executive bonuses are linked to the achievement of specific sustainability initiatives that underpin our long-term sustainability commitments. Find out more in our Remuneration report on page 145.

2022

Launch of our current Planet, Product, People sustainability strategy

2023

Rollout of strategic roadmaps to support our sustainability strategy, led by cross-functional working groups

Net-Zero target submitted to SBTi for validation

LONG-TERM DESTINATION

Leaving things better than we found them:




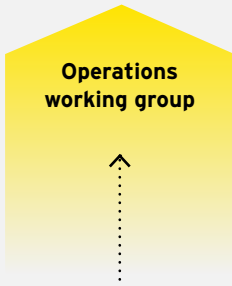
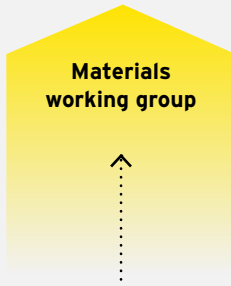






This includes our long-term ambitions to reach Net-Zero, for all our footwear to be made from sustainable materials, our natural materials to be from regenerative sources and for all our products to have a sustainable end-of-life option.

It also includes our efforts to create a workplace in which all our employees feel supported, included and empowered to express themselves; as well as the ongoing development of a responsible and transparent supply chain. The Dr. Martens Foundation will continue to be a champion for social justice causes.

→ See **P66 and 67** to find out more about our Planet, Product, People sustainability strategy and our related long-term commitments

OUR SUSTAINABILITY STRATEGY

Our sustainability strategy is focused on our three pillars: Planet, Product, People. It sets out our long-term sustainability commitments. We are delivering on our strategy through our robust governance structure and roadmaps.

	<div><p>PLANET</p></div>	<div><p>PRODUCT</p></div>	
Focus areas	Climate	Operations	Materials
Our commitments	Energy and climate <ul style="list-style-type: none">Net-Zero target to be validated by SBTi (expected in FY24)Renewable electricity across all owned and operated facilities by 2025	Environmental impacts from supply chain manufacturing processes <ul style="list-style-type: none">Environmental certification standard to all Tier 1 suppliers by 2025 Waste management <ul style="list-style-type: none">Minimise waste and ensure zero waste to landfill across the full value chain by 2028 Chemicals management and product compliance <ul style="list-style-type: none">Support suppliers to adopt best practice chemicals management by 2025	Materials <ul style="list-style-type: none">100% of footwear made from sustainable materials by 2040Sustainable alternative to outsoles by 2035Sustainable vegan upper material by 2028Remove fossil-based chemicals from products (where scalable alternatives exist) by 2035 Sourcing standards <ul style="list-style-type: none">100% of the natural materials in products from regenerative agriculture by 2040Zero deforestation by 2025 Leather supply <ul style="list-style-type: none">100% leather traceability for all countries by 2024100% upper leather from LWG tanneries by 2023
WHERE WE WANT TO GO...			
HOW WE'RE GETTING THERE...	<div></div>	<div><p>Operations working group</p></div>	<div><p>Materials working group</p></div>
Working groups <p>Our cross-functional working groups implement our roadmaps, through which we deliver on our commitments. These roadmaps include actions, roles, milestones and KPIs.</p>			
Supporting initiatives <p>Additional initiatives that support the delivery of our strategy.</p>	Climate initiatives <p>Climate is a cross-cutting theme that feeds into and supports our Planet and Product working groups.</p>		
Relevant UN SDGs	<div></div>	<div></div>	

FOCUS

Embedding sustainability into our DOCS strategy

We are embedding key elements of our sustainability strategy into our DOCS strategy (see pages 30 and 31). These include our strategic repair and resale business model, the ongoing development of a sustainable, resilient and scalable supply chain and our product innovation and durability initiatives.

Beyond this, our sustainability strategy supports the DOCS strategy by:

- Demonstrating to our consumers that we stand up for what we believe in
- Supporting the active management of climate risks and opportunities
- Building a culture in which our people and our business can thrive

Our sustainability strategy is also integral to our brand ethos of Rebellious Self Expression (see page 8). We stand up for what we believe in and this includes taking urgent action on sustainability. This is about the next generation and leaving things better than we found them. It is also about being a business that people want to work for, work with and invest in.



PEOPLE

Packaging

Packaging

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

Lifecycle

Useable life

- Sustainable design thinking and principles training by 2022
- All products align to sustainable design criteria by 2028
- Offer options and guidance for wearers to maximise useable life by 2025

End of life

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

DE&I

The following commitments are to be achieved by 2027:

Ethnicity

- 30% underrepresented communities 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%

Human rights

We are committed to respecting human rights. This is reflected in our DOCTrine (our business code of conduct), Supplier Code of Conduct, Migrant Worker Policy and Anti-Slavery and Human Trafficking Policy.

In addition, we plan to undertake a human rights risk assessment in FY24 to inform our management approach in this important area.

Communities

We are proud of our record of standing up for social justice. This includes supporting anti-racism, advancing LGBTQIA+ rights and promoting positive mental health. In parallel, the Dr. Martens Foundation (an independent UK charity) implements a structured programme to help organisations pursue social justice.

Packaging
working group

Lifecycle
working group

DE&I
Strategy

CSR monitoring
& modern slavery
programme

Dr. Martens
Foundation





PLANET

We are working hard to reduce our impact on the planet. Much of our focus is on actively measuring, managing and reducing our carbon footprint. This reflects our commitment to helping address the climate crisis by achieving Net-Zero emissions. Similarly, we are embedding broader responsible environmental principles and practices across our own operations and supply chain.

FOCUS AREAS AND COMMITMENTS

CLIMATE

- Net-Zero by 2040 (target to be validated by SBTi)
- Renewable electricity across all owned and operated facilities by 2025

OPERATIONS

- Minimise waste and ensure zero waste to landfill across the full value chain by 2028
- Environmental certification standard to all Tier 1 suppliers by 2025
- Support suppliers to adopt best practice chemical management by 2025

→ For additional commitments, see **P70 and 74**

OUR PROGRESS

SET SCIENCE-BASED TARGETS

Submitted our Science-Based Targets to the SBTi for verification, outlining our ambition to reach Net-Zero by 2040

91%

Sourced 91% of the electricity for our owned and operated EMEA sites (including UK) from renewable sources

RELATED UN SDGS



→ To find out more, see our SDG mapping exercise at: [drmartensplc.com](https://www.drmartensplc.com)

CLIMATE

WHY IT MATTERS...

Urgent collective action is needed to address climate change, with global ambitions to limit global warming to 1.5 degrees looking increasingly challenging. We have responded to the call from the Science Based Targets initiative (SBTi) for corporate climate action by committing to the Business Ambition for 1.5°C campaign.

OUR COMMITMENTS:

Energy and climate

- Net-Zero target to be validated by SBTi (expected in FY24)
- Renewable electricity across all owned and operated facilities by 2025

WHAT WE'RE DOING...

OUR JOURNEY TOWARDS NET-ZERO Setting Science-Based Targets

In line with the requirements of the SBTi, we have committed to set near and long-term emissions reduction targets aligned with climate science and Net-Zero for our own operations and value chain.

Since agreeing our original Net-Zero ambition, additional relevant guidance was published (SBTi's Net-Zero Standard and Forest, Land and Agriculture Guidance (FLAG)). We therefore amended our ambition to ensure we follow the latest guidance and adhere to the science-based approach. Our Net-Zero targets were realigned and submitted to the SBTi in December 2022 with the support of the Carbon Trust.

We are awaiting verification of the following targets¹ from the SBTi:

Near-term 2030 Science-Based Targets (SBTs) aligned with a well-below 2°C global warming target:

Reduce absolute...

- Scope 1 and 2 emissions by 90%
- Scope 3 **FLAG** emissions 30%
- Scope 3 Industry emissions 30%

Long-term 2040 SBTs aligned with a 1.5°C global warming target:

Reduce absolute...

- Scope 1 and 2 emissions by 90% to Net-Zero
- Scope 3 **FLAG** emissions by 72% to Net-Zero
- Scope 3 Industry emissions by 90% to Net-Zero

We will report progress against each target once they have been verified and approved.

WE HAVE SUBMITTED **ABSOLUTE REDUCTION** TARGETS, WHICH IS THE MOST AMBITIOUS APPROACH AND AIMS FOR A REDUCTION IN TOTAL EMISSIONS.

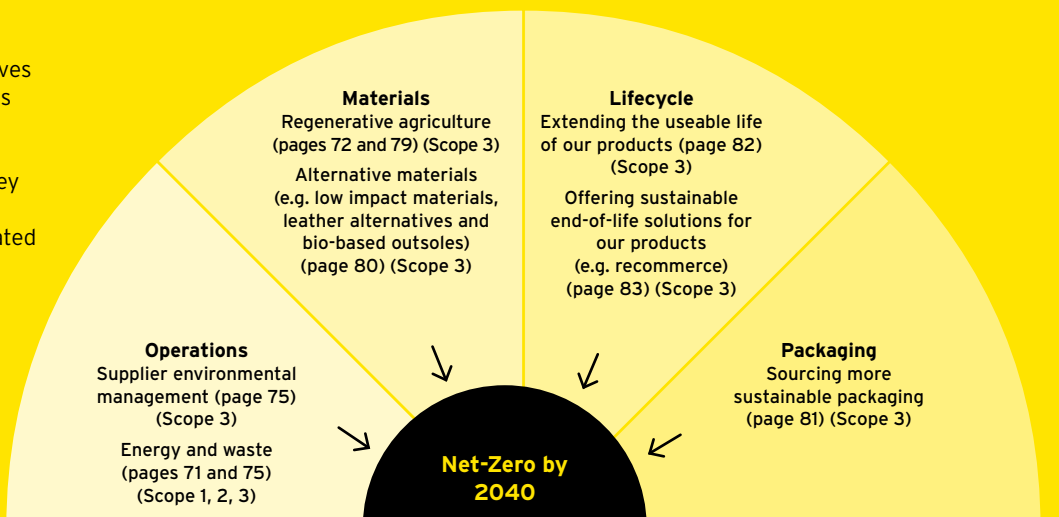
LEATHER IS ONE OF 11 MAJOR COMMODITIES UNDER THE SBTi **FOREST, LAND AND AGRICULTURE (FLAG)** GUIDANCE. LEATHER ACCOUNTS FOR A SIGNIFICANT PORTION OF OUR TOTAL EMISSIONS PROFILE SO WE HAVE SET SPECIFIC LEATHER EMISSIONS REDUCTION TARGETS ACCORDING TO THE FLAG GUIDANCE.

FOCUS

Achieving our Science-Based Targets

Key examples of our carbon reduction initiatives and the emissions scopes they impact.

These are some of the key actions we are taking to mitigate our climate-related risks and opportunities as outlined in our TCFD disclosure on pages 99 to 107.



1. FY20 used as the baseline.

Understanding our carbon footprint

This year, we undertook our second carbon footprinting exercise with the Carbon Trust, who mapped our emissions across our operations and full value chain. Figure 1 details the breakdown of our Scope 1-3 footprint. This is aligned to the Greenhouse Gas (GHG) Protocol and covers our updated FY20 baseline and the FY22 period (April 2021 – March 2022).

We use the most recent and accurate data available to conduct our carbon footprint. Due to the large quantity of data required to calculate Scope 3 emissions, we currently calculate our footprint one year in arrears. Further details on our FY22 and FY23 Scope 1 and 2 emissions can be found in our Streamlined Energy and Carbon Reporting (SECR) disclosure on page 73.

We use FY20 as a baseline year for our carbon footprint to avoid Covid-related disruptions, where the most significant disruptions were evident during FY21.

Between FY20 and FY22 the number of pairs sold increased by 26.3%¹. As a result, our FY22 carbon footprint has increased from our FY20 baseline by 13.4%. We have committed to reduce our absolute Scope 1-3 emissions aligned with a 1.5°C global warming target by 2040 and will continue to focus our efforts on this.

The absolute increase in emissions can be directly attributed to higher volumes of leather purchased due to the increase in products sold over this period. However, not all emission increases are linked to business growth. The quality of data used for our footprint improved this year and previously used methodologies were amended to provide better estimates where possible. This resulted in emission fluctuations across categories when compared to the baseline.

Measuring Scope 3 emissions with consistency and accuracy can be challenging due to the emissions sources occurring outside our direct control. We work with our supply chain partners such as tanneries, our Tier 1 factories, material

suppliers and shipping partners to collect primary data on their GHG emissions. Scope 3 footprinting relies on industry best practice estimations and calculation methodologies such as lifecycle assessments (LCAs) to inform carbon accounting approaches. This is an iterative process and results in varying degrees of precision, but we hope to improve this year on year by eliminating uncertainties through working with our value chain partners to collect primary data.

We continue to focus on delivering the carbon reduction initiatives outlined in the diagram on page 70 which will result in emissions reductions in the future. Due to the lead time on a number of these projects, such as regenerative agriculture and materials innovation, the resulting emissions reductions will not be immediate. However, we are confident in our approach and will continue to work towards our goals. While we have disclosed our footprint results across Scopes 1-3, we will also report progress against our SBTs, including our FLAG targets, once our targets have been verified.

Figure 1: Updated FY20 baseline footprint and FY22 footprint for Scope 1, 2 and 3 emissions (April 2021 – March 2022)

Scope	FY20 Tonnes CO ₂ e	FY22 Tonnes CO ₂ e	FY22 % of total value chain
Scope 1	640	756	0.27%
Scope 2 (Location)	1,891	1,665	-
Scope 2 (Market)	1,936	1,285	0.47%
Scope 3 ³	240,355 ²	273,422	99.26%

Figure 2: FY22 Scope 3 emissions (tCO₂e)

Scope 3 emissions category	FY22 Emissions (tCO ₂ e)	Percentage contribution to Scope 3 emissions
Purchased Goods and Services	225,156	82.3%
Capital Goods	4,416	1.6%
Fuel and Energy Related Activities	511	0.2%
Upstream Transportation and Distribution	17,257	6.3%
Waste Generated in Operations	1,508	0.6%
Business Travel	1,242	0.5%
Employee Commuting	3,531	1.3%
Downstream Transportation and Distribution	3,509	1.3%
Use of Sold Products	1,140	0.4%
End-of-Life Treatment of Sold Products	14,918	5.5%
Franchises	233	0.1%

1. Pairs sold increased from 11.1 million (FY20) to 14.1 million (FY22).

2. This year, we were able to increase methodological accuracy in some of our Scope 3 categories to account for the emissions associated. Due to this we have updated the Scope 3 emissions of our FY20 baseline year to align with these alterations. These methodology improvements have led to a 3.8% increase in our FY20 baseline Scope 3 emissions.

3. The following GHG Protocol Scope 3 emissions are excluded because they are covered in another category or because they are not relevant for our business: (8) Upstream Leased Assets, (10) Processing, (13) Downstream Leased Assets and (15) Investments.

FOCUS

Renewable energy use at our European sites

In FY23, we focused on transitioning our EMEA operations to renewable energy, building on the successful transition of our UK sites. This means that 89% of our mainland European electricity supply now comes from renewables (FY22: 39%). Two UK sites currently have metering issues which unfortunately reduced our UK renewable electricity percentage to 95% for FY23 (FY22: 100%), however we are confident these will be rectified in FY24.

91%

of our UK and European electricity supply now comes from renewables

FOCUS

Leather-related emissions

The unique and versatile characteristics of leather mean it is a longstanding and important material for the footwear industry. According to our FY20 baseline, leather-related emissions made up 32.0%¹ of our carbon footprint². This increased to 39.0% of our FY22 carbon footprint due to an increase in leather volumes purchased over the two years.

In reality, sector best practices around the calculation of the carbon footprint of leather are complex and still evolving. We are working with our peers and through the Leather Working Group (LWG, page 79) to develop a standard for this process. This includes the calculation of the full, cross-lifecycle carbon impacts of leather. For example, the LWG is working with external consultants to develop an updated LCA for leather to ensure the benchmark data which is often used in the LCA assessment of leather is up to date and reflective of current industry practices.

The hides used for the leather we source come from animals raised for the food industry. Despite the relatively far-removed upstream position of agricultural emissions, the significance of leather in our carbon footprint means that in order to meet our Net-Zero ambition it is important we work with the entire value chain and our leather suppliers to improve (or lower the impact of) related agricultural and land management practices (page 79).

In addition, the FLAG sector offers significant opportunities to not only reduce further carbon emissions, but also to increase levels of carbon sequestration. According to the Intergovernmental Panel on Climate Change (IPCC), stopping deforestation, applying regenerative agriculture and restoring peat and wetlands, among other FLAG-related activities, has the potential to deliver more than 30% of the global emissions reductions needed to keep global warming below 2°C. As a result, we believe that regenerative agriculture has the potential to play a significant role in helping us achieve the emissions reductions we need to meet our Science-Based Targets.

It is in this context that we have committed to zero deforestation across our supply chain by 2025 and to source all of our natural materials from regenerative agriculture by 2040. This will play a direct role in helping us achieve our SBTs (see our TCFD disclosure on pages 99 to 107). We also engaged in the development of the Taskforce on Nature-related Financial Disclosures (TNFD) framework through our partnership with the Carbon Trust. This market-led, science-based framework aims to help companies and financial institutions integrate nature-related risks and opportunities into their decision-making. Dr. Martens assisted in the development of the latest framework through the contribution of our data.

What is regenerative agriculture?

Regenerative agriculture is a holistic set of farming practices that seek to have lower, or even positive, environmental impacts, such as practising soil cover or using non-synthetic fertiliser. This can include harnessing agricultural practices that promote healthy soil biology to capture and store greenhouse gases associated with raising cattle.

We are focusing on how it can be used to alleviate climate change, improve soil health and improve ecosystems and biodiversity. For further details see page 79.

1. This figure has been updated in line with amendments to the FY20 baseline.

2. This calculation is based on the EU's Leather Product Environmental Footprint Category Rule (Leather PEFCR), as well as primary data from our tanneries.

FIGURE 3: Streamlined Energy and Carbon Reporting statement

Emissions data in respect of the FY23 reporting period is as follows:

GHG Protocol Scope	Sub-category	FY22 Emissions (tCO ₂ e)		FY23 Emissions (tCO ₂ e)	
		UK	Global	UK	Global
Scope 1	Gas and transport fuel	317.36	517.85	230.86	874.09
Scope 1	Fugitive emissions	-	238.03	83.40	174.68
Total Scope 1		317.36	755.88	314.26	1,048.77
Scope 2 (Location-based)	Purchased energy	406.84	1,665.08	457.95	1,505.34
Scope 2 (Market-based)	Purchased energy	26.60	1,284.83	88.35	1,135.75
Scope 1 and 2 (Location-based)		724.20	2,420.96	772.21	2,554.11
Scope 3	Grey fleet	5.34	13.37	12.01	78.69
Total emissions (Location-based)		729.54	2,434.33	784.22	2,632.80
Total energy use (kWh)		3,471,181	7,404,496	3,640,359	9,540,330
Turnover (£)		- 908,299,000		- 1,000,299,000	
Intensity ratio (tCO₂e/£100,000)		-	0.27	-	0.26

- The reporting period for SECR is 01/04/22 – 31/03/23 and covers Dr. Martens plc and other Group companies.
- This includes limited Scope 1 and 2 emissions (gas and fuel used in transport; purchased electricity), except where stated. Scope 1 physical or chemical processing emissions are not applicable and Scope 2 steam, district heating and district cooling emissions are not applicable. Scope 3 emissions are limited to grey fleet in the UK and US. There are no grey fleet emissions in APAC. In EMEA, grey fleet emissions were unavailable and have been excluded. Our complete Scope 1-3 emissions are calculated one year in arrears due to the complexity of the data collection process; our FY22 footprint including full Scope 3 emissions can be found on page 71.
- The methodology used is based on the principles of the Greenhouse Gas Protocol, taking into account the 2015 amendment which sets out a 'dual reporting' methodology for reporting on Scope 2 emissions.
- Separate UK dual reporting has been conducted, in addition to mandatory global reporting, which encompasses all global data.
- GHG emissions have been assessed in accordance with HM Government's 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting guidance', March 2019 update. In order to calculate location-based emissions '2022 UK Government GHG Conversion Factors for Company Reporting' have been used in line with the GHG Protocol Corporate Accounting and Reporting Standard.

- Conversion factors for UK market-based reporting have been provided by the respective supplier(s).
- Conversion factors for America, Europe and Asia were sourced from 'Carbon Footprint, Country Specific Electricity Grid Greenhouse Factors, 2023 update', open source conversion factors for company reporting.
- Scope 1 (Transport & Fugitive) and Scope 3 emissions (grey fleet) have been calculated using '2022 UK Government GHG Conversion Factors for Company Reporting'.
- Data has been sourced from a combination of half hourly readings and energy invoices. Where data was unavailable, energy consumption has been estimated for the respective meter and period.
- Estimation methods include calculating the average daily consumption (kWh) and applying to the period in question. Where data was unavailable, energy consumption for a different 12-month period has been used. This was very rare and only occurred where annual invoices had not been released. When only annual spend was available (for example at some landlord controlled sites), annual spend was divided by an average cost per kWh, then consumption calculated from there.

Energy efficiency initiatives:

Reducing Scope 2 emissions across our store network is essential to meet our Net-Zero ambitions. With that in mind, we implemented integrated technology to measure and manage energy consumption at two of our stores in Carnaby Street, London and Les Halles, Paris. Implementing smart metering and controls on energy consuming units allows for automated energy meter readings and simultaneously allows real-time improvements to energy efficiency.

Through setpoint optimisation and HVAC overnight switch off, we were able to achieve energy savings at both stores, resulting in 9.8% and 5.3% reductions at the London and Paris stores respectively.

Both stores were of a similar size but differed in their architecture and equipment which resulted in varied energy savings. This project has helped to realise the role that energy management could have across our global store portfolio, and we will take the learnings forward in our approach to energy efficiency.

CLIMATE RISKS AND OPPORTUNITIES

We are working to better understand the nature of our climate risks and the related financial implications for our business. Our SBTs help us plan what action we need to take, the impact on our business and the degree to which these targets will mitigate climate-related risks. For further information, see our Task Force on Climate-related Financial Disclosures (TCFD) disclosure on page 99.

WHAT'S NEXT?

We will continue to monitor our annual carbon footprint and progress with our carbon reduction efforts. With the majority of our impact in the supply chain, a key focus is on supplier engagement. We are also planning to carry out modelling to enhance our understanding of our climate-related financial risks, including the impact of our Net-Zero targets.

OPERATIONS

WHY IT MATTERS...

Operational excellence is at the core of our DOCS strategy, which means building a best in-class, resilient and sustainable supply chain. When it comes to our direct environmental performance, we have a responsibility to manage our own stores, offices, distribution centres and our Made In England factory, as well as the impact of our products themselves. But it is also important to recognise that the majority of our environmental impacts are found in our supply chain. This is why it is important we work collaboratively with our suppliers to implement more responsible practices, including with respect to waste reduction, the management of chemicals and energy use.

OUR COMMITMENTS:

Environmental impacts from supply chain manufacturing processes

- 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 and product compliance

- Support suppliers to adopt best practice chemicals management by 2025
- See **P94** for more information on how we responsibly manage our supply chain

WHAT WE'RE DOING...

OUR OWN OPERATIONS

While our own operations account for only 1% of our total carbon footprint, we take our commitment to combat climate change seriously and must do what we can to reduce our related emissions.

FOCUS

Made In England - a hub for sustainability innovation

Our Made In England factory is where we pursue manufacturing innovation and excellence. The factory, which is certified to ISO 14001, is constantly improving its environmental management performance. In FY23, optimisation of the digital cutter supported the development of our first 'deadstock' product line which is made from leather that would otherwise go to waste (page 75).



FOCUS

Sustainable store design

Our retail reimaged concept store in Carnaby Street, London represents our first 'test and learn' site for our sustainable retail initiatives. Learnings from the site will help inform the development of our future Sustainable Store Development Guidelines (which are informed by the BREEAM standard). We are planning to test elements of these in two other European stores later in the year. Our Guidelines are primarily focused on:

- Sustainable material development
- Promoting circularity and prioritising reuse
- Increasing energy and water efficiency
- Minimising waste to landfill

In FY23, the store was certified to the BREEAM sustainable building standard, achieving a 'Good' rating. In addition, fixtures in the store received the Design Conformity mark, the first independent quality and sustainability design standard for retail display equipment. At the same time, we are establishing new regional supply chains for the fit out of our stores which will enhance our logistics and reduce our carbon footprint.

We have also established a reground process where our shoe waste can be cast and formed into tabletops, the first of which will be seen in our upcoming Amsterdam showroom.

1. Building Research Establishment Environmental Assessment Method.

OUR SUPPLY CHAIN

Waste

We continue to seek ways to minimise our waste as we work towards our commitment to zero waste to landfill across our full value chain by 2028. This approach, which will require industry-level change and innovation, applies both to our own operations and to our Tier 1¹ and Key Tier 2² suppliers. In some of our sourcing countries, waste disposal infrastructure is less developed and there is a lack of actionable data around disposal practices. We continue to collect environmental data including waste data from our Tier 1 suppliers and are investigating third-party certification and verification of this data.

Leather waste

Leather represents one of our most significant waste types by volume and we continue to work with external partners to explore how we can reduce our leather waste. In FY23, we launched a four-month-long leather waste innovation project through Deplastify the Planet. Deplastify the Planet is an educational programme delivered by Schoolab in collaboration with the University of California, Berkeley. It explores the processing of leather offcut waste for use in internal componentry. The results will be presented once the project concludes in FY24.

We also launched our first 'deadstock' product line in early 2023, which is made using leather left over from previous seasons and supports our ambition to reduce leather waste.

PVC waste

Our Asia-based outsole suppliers and our Made In England factory grind up waste PVC from the manufacturing process and reinject it into the process. In the UK, any remaining waste (e.g. mixed colour waste) is sent to a partner for recycling into footwear.

➔ For more information on the development of a bio-based PVC outsole, see **P80**

Chemicals

We apply a rigorous chemical management system that helps ensure we remain in full compliance with all relevant chemical-related regulations, as well as a Restricted Substance List (RSL). This covers our own operation and our Tier 1 suppliers, who are required to cascade requirements to their own suppliers. In FY23, we initiated RSL audits of selected Tier 1 factories to further ensure their chemicals and RSL management practices meet our stringent standards.

We also require Tier 1 and Key Tier 2 suppliers to sign our General Material Requirement Policy (GMRP) to ensure our products comply with relevant product safety legislation and broader requirements. The GMRP is reviewed annually and is aligned with the legal testing requirements within all of the countries in which we operate.

Water

Tanneries represent a key area of impact in terms of water management (including water use and wastewater emissions). This is why we require our Tier 1 suppliers to only use leather from LWG certified tanneries in our products. This means tanneries that are compliant with the LWG audit protocol are aligned with the Zero Discharge of Hazardous Chemicals (ZDHC) requirements. The LWG audit process requires tanneries to manage their water consumption responsibly.

Meanwhile we collect water volume data (among other environmental indicators) from our Tier 1 supplier factories on a quarterly basis, ensuring we have a high level of insight into their water use.

➔ For more information on leather, see **P78**

FOCUS

Our journey to supplier environmental certification

Engaging and supporting our suppliers is key to our approach to environmental impact management. Our Supplier Environmental Standard sets out our expectations for how our suppliers manage their environmental impacts. We also request environmental data from our Tier 1 suppliers to better understand their impact.

We are developing our approach towards the rolling out of environmental certification standards for our Tier 1 suppliers. These standards will help us engage with our suppliers and reduce our supply chain environmental impacts. We are looking to address topics including energy, waste, water and chemical management. Supporting our suppliers to implement environmental standards will play a material role in our progress towards our Scope 3 SBTs and our other environmental sustainability commitments (see our TCFD disclosure on page 99 for more).

We have started to engage our suppliers on this topic to better understand where to focus our efforts. 25% of our Tier 1 suppliers have declared they have an environmental certification in place (ISO 14001 or FEM Higg).

➔ For additional information on how we responsibly manage our supply chain, see **P94**

FOCUS

Our work with the Leather Working Group (LWG)

➔ For further information on our ongoing work with the multi-stakeholder LWG, see **P79**

WHAT'S NEXT?

- Next, we plan to focus on supplier engagement and environmental certification to improve the measurement of environmental indicators including energy use and waste management
- We also plan to further roll out our Sustainable Store Development Guidelines with an initial focus on the EMEA region

1. We define these as suppliers that manufacture/assemble finished goods.
2. We define these as suppliers of 'strategic' components.



PRODUCT

For more than six decades, we have made iconic, timeless and durable footwear. As brand custodians, we want to retain these characteristics while we move towards our long-term vision of a regenerative and circular product lifecycle. We cannot achieve this alone. This year we invested in a leading producer of recycled leather which will help us to scale and expand our product innovation. We have also engaged with multiple suppliers of alternative materials and industry stakeholders (including industry bodies, NGOs and universities) and continue to develop promising partnerships on areas ranging from regenerative agriculture through to end-of-life product recycling.

FOCUS 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 products by 2035

PACKAGING

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

LIFECYCLE

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

→ For additional commitments, see P78, 81 and 82

OUR PROGRESS

RECOMMERCE

Successful launch of our recommerce business model pilot in the UK

35%

Removal of non-recyclable plastic foam divider from 35% of the AW23 footwear volume

INVESTED

in leading recycled leather producer, to support industry-wide adoption of innovative and circular materials

RELATED UN SDGS



→ To find out more, see our SDG mapping exercise at: drmartensplc.com

MATERIALS

WHY IT MATTERS...

The materials we use not only underpin the durability, look and feel of our footwear, but also influence our product lifecycle impacts. Because of this, we are sourcing more sustainable materials that are:

- Durable and deliver on the quality needed for our iconic footwear
- Recycled, renewable and/or regenerative
- Produced responsibly and meet our high environmental and social standards

This includes our efforts to source leather that meets best practice traceability and environmental standards, and to identify and develop regenerative leather supply options. Similarly, we are actively exploring bio-based and recycled thermoplastics for our outsoles, as well as more sustainable vegan upper materials, without ever compromising on durability or quality.

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

→ See **P94** for more information on how we responsibly manage our supply chain.

WHAT WE'RE DOING...

We continue to focus on improving the sustainability of the materials we use, developing innovative new materials and building and embedding the management systems we need to support us on this journey. In FY23, we began the development of a new Product Lifecycle Management (PLM) system with support from external specialists. Once fully operational, this will deliver enhanced visibility across our product lifecycle. It will enable us to closely monitor, manage and report on our progress towards meeting our sustainability commitments and key performance indicators (KPIs), including those focused on deforestation and material traceability.

LEATHER

At Dr. Martens, we have been making leather footwear for over 60 years. The unique characteristics of leather contribute to the durable and long-lasting nature of our products. It is our most commonly used upper material and will continue to be a key material for us going forward. Through our sustainability commitments we are focused on sourcing traceable, deforestation-free and

regenerative leather. Sourcing lower carbon alternatives to leather will also help us on our journey to Net-Zero.

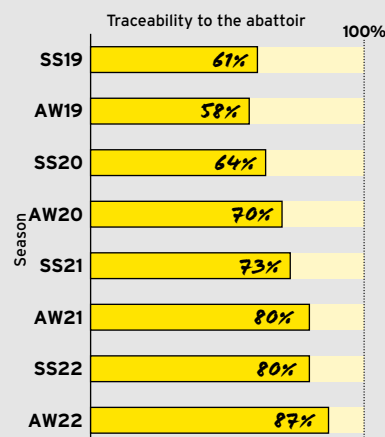
Enhancing traceability

The leather supply chain is complex and the hides used to create the leather we source are a by-product of the food industry. Being able to trace where our leather comes from is the starting point for ensuring it is not associated with deforestation or other negative environmental, social and animal welfare impacts. In AW22, 87% of our leather was traceable back to the abattoir¹.

We are working closely with our tannery partners to enhance their own traceability processes while reviewing our supplier base to meet our commitment for 100% leather traceability by 2024 (back to the abattoir). We are also investigating supply chain traceability platforms to support our longer-term aim of tracing individual leather purchases back to the farm.

We currently co-chair the LWG Traceability Working Group (see page 79), through which we support collective efforts to enhance traceability further across the leather value chain.

FIGURE 4²: Traceability to the abattoir for leather purchases (%)



KPI

IN PROGRESS ↗

87%

of our leather is traceable (AW22) (targeting 100% by 2024)

1. Our traceability percentage is currently based on LWG audit data, which assesses each tannery on the basis of what proportion of their leather is traceable back to the abattoir.
2. Since our previous report, AW21, SS22 and AW22 traceability percentages have been updated using final leather volumes purchased (forecast data was used previously). We will continue to use actual leather volumes to report our traceability progress going forward to avoid amendments where possible.

Supporting regenerative agriculture

We have committed to 100% of the natural materials in our products coming from regenerative agriculture by 2040. In our FY20 baseline assessment, a total of 33.6% of our total carbon footprint related to leather production and while the leather we source is a by-product of the food industry, more than 70% of that figure is associated with the raising of cattle¹. This is why regenerative leather sourcing presents a significant opportunity to enhance our decarbonisation efforts as we pursue Net-Zero emissions (see page 72).

In FY23, we began exploring partnership options for regenerative leather, including engagement with:

- UK-based suppliers to explore the development of traceable leather supply chains, including from regenerative farms in the UK through to our Made In England factory
- An existing international tannery partner to enhance their traceability systems and identify new and more sustainable farming sources for our leather

This work is inextricably linked to our commitment for zero deforestation by 2025, which in turn will support our pathway to Net-Zero (see page 72 and our TCFD disclosure on pages 99 to 107). As a baseline due diligence requirement, tanneries sourcing raw material from Brazil must provide additional traceability information to demonstrate they are not sourcing from deforested areas, but we are going further than this to improve traceability across the value chain. In FY23, we started working with the World Wide Fund for Nature (WWF) to map potential deforestation exposure in our leather supply chain. We also continued our partnership with the LWG plus other industry peers to develop industry standards for deforestation-free leather supply chains and explore models of farm-level support to cease cattle-driven deforestation and restore environments.

Beyond leather supply chains, other materials we source for packaging, store design and product components could also be at risk of contributing to deforestation. Therefore, we are working to integrate our zero deforestation requirements into our PLM system (see page 78) to enable deforestation-free sourcing across all of the materials we use.

Reducing processing impacts

We aim to source all our leather from LWG certified tanneries. In the Spring Summer 23 season, 100% of our upper leather came from LWG certified tanneries. In Autumn Winter 23, this dipped to 98%, because the LWG certification for one of our tanneries expired. This temporary lapse in certification falls short of our expectations for our nominated tannery base.

We remain fully committed to sourcing exclusively from LWG certified tanneries by ensuring all our tanneries get certified on time and remain compliant. In addition, all other specified leather (lining leather, leather goods, leather laces, footbeds) continues to come from LWG certified tanneries. Sourcing LWG leather is an ongoing journey and we remain focused on working closely with tanneries which are committed to continually improving their performance.

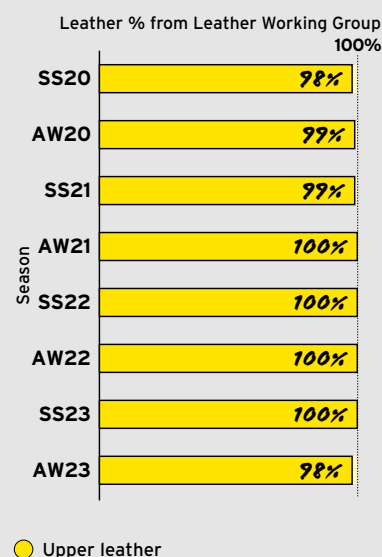
Tanneries with LWG certification have responsible environmental management practices in place and comply with LWG standards relating to energy use, water, chemicals and waste management. For more information on the LWG go to www.leatherworkinggroup.com

FOCUS

Embedding our DRP Sustainable Materials Criteria

Our DRP Sustainable Materials Criteria² ('DRP Criteria') provide a consistent framework to help guide our journey towards meeting our sustainable materials commitments. In FY23, we applied our DRP Criteria across a range of workstreams, including our ongoing efforts to source and test sustainable leather alternatives (see page 80).

FIGURE 5: Leather sourced from LWG certified tanneries (%)



KPI

ONGOING ✓

98%

of our upper leather is from LWG certified tanneries. In addition, all other specified leather, including linings, leather goods, laces and footbeds, now also comes from LWG certified tanneries.

1. The apportionment of cattle raising emissions is taken from the EU's Leather PEFCR, which is the methodology followed for our FY20 baseline assessment.
 2. We have developed a consistent framework to ensure materials selected consider all our sustainability requirements, rather than only looking at one sustainability aspect. We have called this our DRP Sustainable Materials Criteria, which evaluates if materials are 1. Durable, 2. Recycled, renewable and/or regenerative and 3. Produced responsibly. The full definition can be found on our plc website.

Exploring leather alternatives

Leather is a key material for us and will continue to be so as we focus on sourcing traceable, deforestation-free and regenerative leather which supports our ambition to leaving things better than we found them. It is also important we investigate and invest in leather alternatives, which forms part of our approach to achieving Net-Zero emissions.

In March 2023, we announced an exciting new partnership with Gen Phoenix, a leading producer of recycled leather. During FY24, we are planning to launch product which contains the recycled leather material made using leather waste from tanneries that was previously destined for landfill.

In addition, we continued to work with multiple partners to develop and test bio-based vegan materials. Our current vegan range is made from a synthetic PU (polyurethane) material and does not currently meet our DRP¹ Sustainable Materials Criteria. We are actively investigating alternatives in line with our commitment to have a sustainable vegan upper material by 2028. This included ongoing wear trials, as well as performance and manufacturing testing. We had planned to launch our first bio-based vegan material in our Spring Summer 2023 range. However, final testing showed that more development work is required to ensure the material meets our high durability and quality standards, which we will never compromise on.

PVC

Exploring bio-based outsoles

The majority of our outsoles are made using the hard-wearing and long-lasting plastic PVC, which has been our most commonly used outsole material for over 60 years. Due to the highly recyclable nature of PVC, our PVC outsoles have a level of post-production waste blended back in meaning the process is very low waste. But we recognise that the creation of PVC requires the use of fossil fuels and chemicals.

Because of this, we continue to investigate the use of lower-carbon, bio-based alternative outsole materials, in line with our commitment to develop a sustainable alternative outsole by 2035. In FY23, this included the commissioning of independent testing on a bio-based outsole alternative, with positive initial results. Further testing is being undertaken to ensure the material meets our DRP Criteria and is fully aligned to our sustainability strategy.

In addition, we continue to explore more sustainable alternatives to Ethylene-vinyl acetate (EVA), which is used in some of our outsoles, midsoles, footbeds and fillers. These efforts saw the integration of a new 50% bio-based EVA footbed into our Autumn Winter 2022 accessory range.

OTHER COMPONENTS

We are also working to increase the sustainability of our other components, including the adoption of recycled content rather than virgin materials, wherever possible. As a result of these ongoing efforts, we now have:

- 100% recycled polyester in standard heel loops
- Over 60% recycled content in metallic heel loops
- 100% recycled content in luxe faux fur
- 100% recycled polyester content in cushioned insoles
- 20% recycled polyester in standard round black laces

The testing, utilisation and consolidation of more sustainable materials in the componentry across our product ranges is an ongoing area of focus.

WHAT'S NEXT?

Next, we plan to:

- Commence the rollout of the first phase of our new PLM system in FY24
- Continue to explore potential partnerships with regenerative leather suppliers
- Continue to test alternative materials including bio-based vegan materials and recycled leather and put these into production once they have met our standards

1. Durable, Recycled/Renewable/Regenerative, Produced Responsibly.



PACKAGING

WHY IT MATTERS...

Packaging is one of our top sourced materials and offers a significant opportunity to reduce our impact through material reduction and responsible sourcing. The majority is used in our supply chain to ensure our products are delivered without damage. This is why we are actively seeking ways to:

- Reduce the packaging we use
- Where it is required, replace it with recycled and/or more sustainable alternatives
- Ensure our packaging can also be recycled

OUR COMMITMENTS:

Packaging

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

WHAT WE'RE DOING...

OPTIMISING AND MINIMISING OUR PACKAGING

We continue to focus on minimising our packaging, including the removal of non-recyclable and difficult to recycle materials. Our Packaging Guiding Principles help guide our efforts towards the achievement of our packaging commitments, including for 100% of packaging to come from recycled or other sustainably sourced material by 2028.

For example, non-recyclable plastic foam inserts will be removed from all styles that do not require it for protective purposes. This will be carried out in a phased approach, first from 35% of the Autumn Winter 23 footwear volume, in line with our End-of-life Hierarchy (see page 82). We are investigating a sustainable alternative for products which require protection.

In FY23, we also rolled out optimised ecommerce shipping bags across our EMEA region, following their successful implementation in the UK during the previous year. The bags use 50% less plastic by weight, with 80% recycled content (up from 25% under the previous design).

WHAT'S NEXT?

Next, we plan to:

- Develop a sustainable protective insert for the remainder of our product range
- Roll out Forest Stewardship Certified cardboard inner boxes across our product range in FY24



LIFECYCLE

WHY IT MATTERS...

Timeless design, quality and durability are core to our brand and by promoting care and repair, we help support our consumers to extend the life of our footwear even further. But even DM's reach the end of the road eventually. When this happens, we want to make sure there are sustainable end-of-life solutions available. This includes repair and resale, or if this is not possible, recycling. Collectively, this is helping move our business towards a more circular model.

OUR COMMITMENTS:

Useable life

- All products align to sustainable design criteria by 2028
- Offer options and guidance for wearers to maximise useable life by 2025

End-of-life

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

WHAT WE'RE DOING...

In line with our lifecycle sustainability commitments, we continue to develop ways to extend the useable life of our footwear further. At the same time, we are pursuing a range of sustainable end-of-life solutions.

In FY23, we developed a new End-of-life Hierarchy (see below) to help guide these efforts. The framework prioritises our end-of-life solutions across all our waste streams, in line with relevant regional guidelines. It provides a framework as we work towards our commitment to zero waste to landfill by 2028 (for more see page 75).

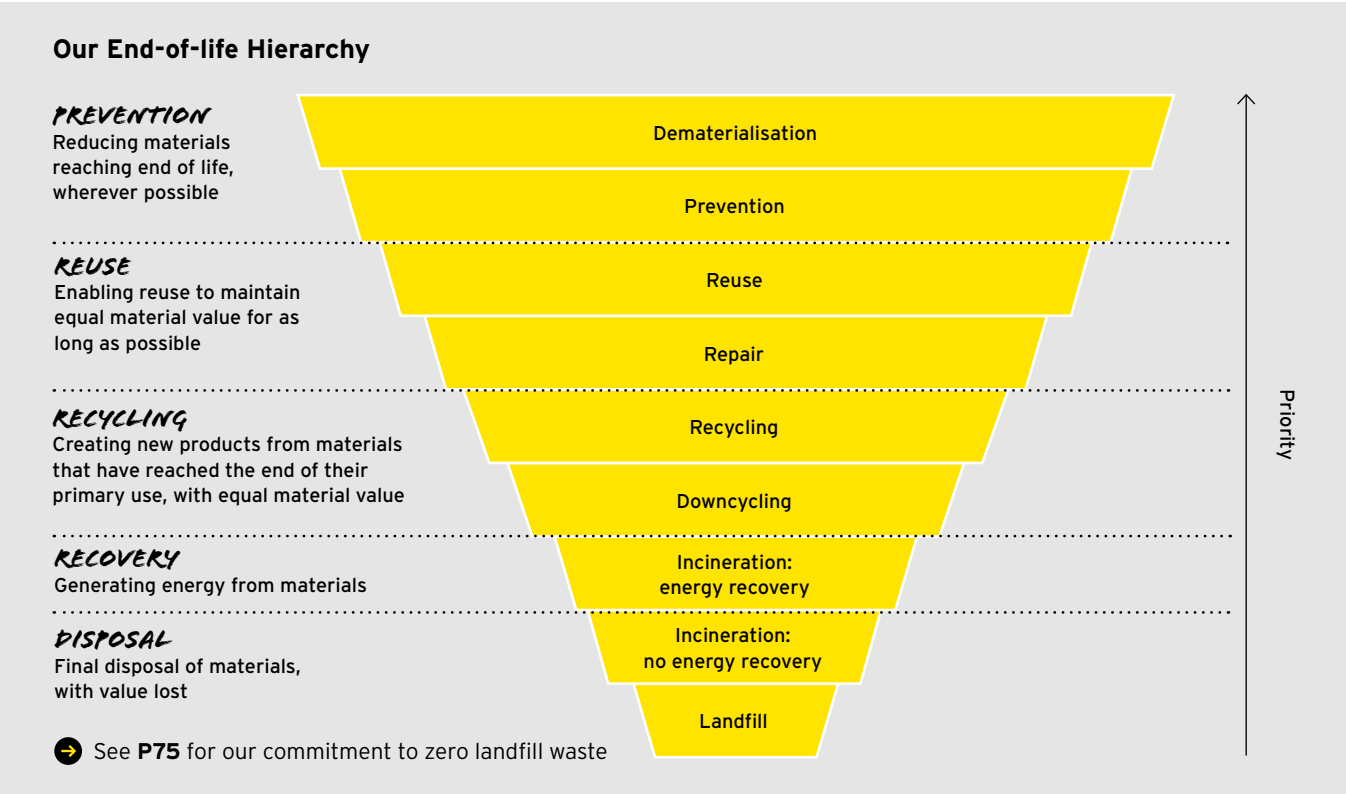
CREATING FOOTWEAR THAT LASTS Sustainable by design

At the end of FY23, we completed the development of a new training programme for teams involved in product creation including the design, development and product category teams. The programme focuses on two areas:

1. The environmental impact of design and the principles we can apply to reduce this impact.
2. How we can apply these principles at Dr. Martens by introducing an internal design handbook, which focuses on the

core principles behind our product: timelessness, durability, functionality and sustainable material selection.

We will roll out this training programme to the product creation teams within the first quarter of FY24. Further to this, we will introduce the programme to other teams involved in the development of our products, such as our materials teams. This will help us continue to embed a 'sustainable by design' mindset across Dr. Martens.



FOCUS

Giving footwear a second life: The launch of our recommerce pilot in the UK

In April 2022, we launched our first recommerce business model pilot in the UK. The pilot focused on repairing and reselling previously worn DM's, helping to extend their useable life.

Recommerce is a key project under the DOCS business strategy (pages 30 to 31) and presents a valuable opportunity for Dr. Martens. The secondhand footwear market is growing rapidly. Launching repair and branded resale allows us to progress towards our sustainability objectives while also connecting with a core subset of consumers. Our brand survey has shown that 31% of Dr. Martens customers globally have purchased DM's secondhand and offering branded resale allows us to ensure the quality and authenticity of the customer experience.

Recommerce has also been identified as a key opportunity to progress towards our Net-Zero ambition. More details on our wider approach to climate risk mitigation can be found in our TCFD report on pages 99 to 107.

DM's sold under the UK initiative are primarily sourced from worn consumer and wholesale returns that require repair and cannot be worn. They are restored by our partner, The Boot Repair Company, to a quality where they can be offered to consumers exclusively via our online shop on Depop. Our UK recommerce store is one of the most popular shops on Depop globally.

During FY23 (April - end February):

- Over 3,500 pairs of DM's have been purchased and given a second life via the initiative
- The average review score from consumers is 4.9 out of 5 (from a total of over 870 reviews on Depop)

Based on the success of the pilot, we are now in the final planning stage of launching recommerce in the US. We are also exploring launching the initiative in other international regions.



Care, repair and customisation

We help our wearers maximise the life of their DM's by sharing tips through our marketing, sales and social media channels on how to properly care for them, such as our 'Boot Doctor' content series.

We are also working on the launch of a direct-to-consumer repair service trial in the UK, as well as exploring direct-to-consumer repair in other regions, while being mindful of the importance of localisation for our carbon footprint.

Customisation, creativity and self-expression are core to Dr. Martens. This is something we encourage through our in-store and online 'DIY Docs' campaigns which were included in our year-round Pride activations during FY23 (for more on how we support the LGBTQIA+ community, see page 90).

END-OF-LIFE RECYCLING

Eventually all our footwear will reach its end-of-life, at which point recycling is the best option.

In line with our commitment for 100% of products sold to have sustainable end-of-life options by 2040, we are continuing to work with external partners in the UK and Netherlands to recycle our footwear that cannot be repaired and resold into new material streams and products. Thanks to these partnerships, we now recycle all these products in the UK and EU. We are investigating solutions in America and APAC with the aim to establish similar partnerships.

WHAT'S NEXT?

Next, we plan to:

- Launch recommerce in the US following the success of our UK recommerce trial
- Launch a direct-to-consumer repair service trial in the UK to further maximise the useable life of our products
- Explore partnerships with universities and industry bodies to support the development and scale of footwear recycling infrastructure

KPI

ACHIEVED ✓

TRAINING

on sustainable design thinking and principles was developed in FY23. It will be rolled out in FY24.



PEOPLE

At Dr. Martens, we are committed to creating an environment in which all our employees feel included, accepted and empowered to express themselves. Our approach is underpinned by our respect for human rights which extends to the people working in our supply chain. We are also proud to stand together as a global community to support the causes challenging social justice issues around the world. This year, we have continued to focus on putting in place solid foundations to enable business growth and drive momentum through our people.

FOCUS AREAS AND COMMITMENTS

DIVERSITY, EQUITY AND INCLUSION

The following commitments are to be achieved by 2027:

Ethnicity:

→ 30% underrepresented communities¹ in senior leadership roles (GLT and direct reports)

→ Further information on how we approach **Human Rights** and **Community**, the other two focus areas of People, are set out below

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%

OUR PROGRESS

REBELLIOUS SELF EXPRESSION

completed a deep dive to uncover the true spirit of Dr. Martens

100% £2.4m

of our Tier 1 and Key Tier 2 suppliers CSR audited met our high standards¹

Dr. Martens Foundation launched the 'Right to Be' flagship programme and awarded 34 organisations a total of £2.4 million

RELATED UN SDGS



→ To find out more, see our SDG mapping exercise at: drmartensplc.com

1. Audit results above 75% scoring for Tier 1, and above 70% for Key Tier 2, in line with Intertek Workplace Conditions Assessment scoring methodology.

HELPING OUR PEOPLE *THRIVE*

HARNESSING OUR CULTURE

At Dr. Martens, we are committed to building a culture in which our people and our business can thrive. In 2022, we completed a deep dive to uncover the true spirit of Dr. Martens. Over two years we took our time to understand the brand and the 'yellow thread' that unites us all. During this time, we spoke to over 500 of our people across the business as well as brand fans, investors, editors, cultural creators, friends and family. The result of this work was Rebellious Self Expression the DM Way.

Rebellious Self Expression is how we define what is unique about our brand and our culture. Crucially it works from the inside out. To be it externally we have to be it internally. As part of this work, we have identified three core values which work together to support what Rebellious Self Expression means:



BE *YOURSELF*

Nine or 90, flamboyant or quiet, every day or once in a lifetime, when someone has their moment of Rebellious Self Expression and says 'this is me', we want them wearing DM's.



ACT *COURAGEOUSLY*

It takes guts to step out of our comfort zone, to help others do the same and to redefine what's possible for future generations.



SHOW YOU *CARE*

This is the balancing part – between the right to be and express ourselves, and the responsibility to use those rights for the greater good.

→ For more on our Culture and Values see **P8 and 9**

“ BE A REBEL. STAND UP. BE WHO YOU ARE. DO WHAT YOU DO.



In September 2022 we launched Rebellious Self Expression and our values at Time for Tomorrow (T4T), our annual global leadership event. At T4T this year, c. 90 of our senior leaders from around the globe came together in person for a three-day event. This was a significant moment in the FY23 Dr. Martens calendar. This was the first time many of our leaders had the opportunity to meet their global peers in our leadership community. Read more about T4T as part of our employee engagement approach on page 25.

Since the launch of Rebellious Self Expression at T4T, our leaders have been playing a key role in the roll out of our values. They have been supporting their teams to understand and interpret what our values mean to them. To enable these conversations we launched a Rebellious Self Expression toolkit in 2023.

Next we plan to look at every aspect of our culture and ways of working to ensure Rebellious Self Expression and our values show up consistently throughout the employee experience at DM's.

→ For more on Rebellious Self Expression and what it means for our brand see **P8**

LISTENING TO AND ENGAGING OUR PEOPLE

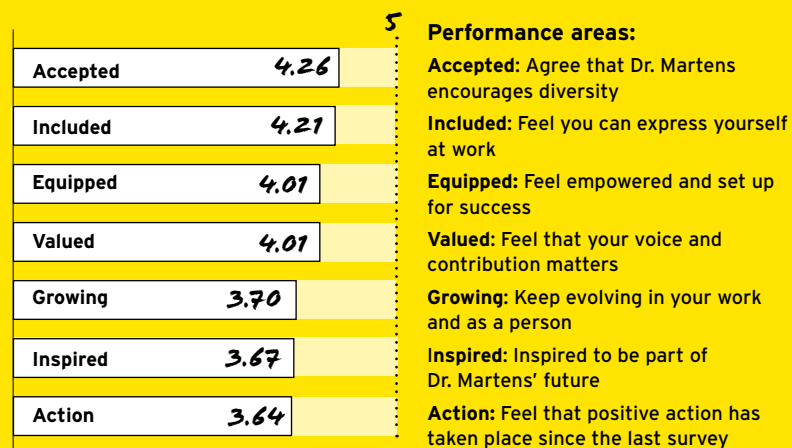
At DM's we work hard to make sure our people across the globe feel engaged about working for us. We carry out an engagement survey every year to understand the lived experience of our people across Dr. Martens. The survey forms part of our wider listening strategy and this year took place in March 2023. 87% of our people completed the survey (representing 2,999 people in total).

In addition to our engagement survey we also carry out an annual programme of NED Listening sessions with our Employee Voice NED Robyn Perris. For more on these sessions please see page 138.

FOCUS

Insights from our 2023 Engagement and Inclusion Survey

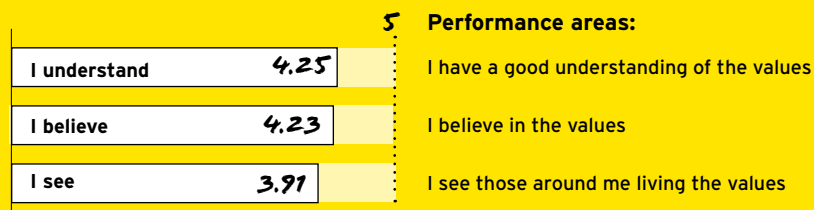
Our March 2023 Engagement and Inclusion Survey highlighted where we are doing well and where we need to do better. All areas of performance are scored on a 0 to 5 scale, where 5 is the best possible score.



We are pleased to see that feeling Included continues to be a high scoring factor and a hallmark of our culture. Building on this, we continue to score highly in Accepting, which encompasses our diversity measures. This factor has improved from 4.13 in 2021 to 4.26 in the most recent survey. A strong upward trend that we are working hard to maintain.

In addition, our Action measure has increased from 3.58 to 3.64. We believe strongly that engagement happens at a local level and will continue to work with our managers and teams so they feel empowered to take positive action to drive engagement in their areas.

For the first time this year, we have included questions to measure how well we are living our values (page 8) across the business:



This is a strong start to embedding our values across the business. The insight we have gained here will be used to further inform our approach to embedding our values consistently across all parts of our business in 2023 and beyond.

We recognise that we need to build momentum and improve how people feel about Inspiration and opportunities to Grow at Dr. Martens and will continue our efforts in this regard into the year ahead.

In summary, our overall engagement score was 3.98. This was a slight decrease on last year (4.03) and has meant that we have missed our Executive Directors' bonus target. For more information, see page 145.

HELPING OUR PEOPLE GROW

For our business to grow, we need to help our people grow. This means ensuring they are supported with direction and expectation, opportunities for development and tools and resources that will help them achieve their own long-term performance and development goals. It also means implementing our new Leadership Framework, to help us:

- Attract, engage and retain our best leaders
- Build a long-term talent pipeline
- Ensure effective succession planning

In FY23, we articulated what it means to be an exceptional leader at DM's and activated a pilot leadership group to test assessment, development and recruitment initiatives that will bring our framework and behaviours to life. We also continued to invest in our established global support of leadership skills development for our newest leaders and training to target personal effectiveness, difficult conversations and feedback.

SUPPORTING WELLBEING

We are committed to taking a holistic view towards the mental, social, physical and financial wellbeing of our people. This includes the ongoing implementation of our voluntary global Mental Health Network, as well as our free and confidential Employee Assistance Programme. These initiatives are supplemented by our regular educational events around mental wellbeing, our annual volunteering allowance and our learning and development programmes.

FOCUS

Future Ready Workplace

Following the Covid-19 pandemic, the world has changed, and so have we. Our blended Future Ready Workplace lets people get the job done wherever they are. Our office-based people now spend between 40% and 60% of their time in our office 'hubs', meaning they can enjoy the best of flexible working with the cohesion, connection and culture that comes from working face to face with colleagues.

FOCUS

Addressing the impact of rising living costs on our people

In the last quarter of 2022, we made additional cost-of-living payments to all employees in Bangladesh, Europe, South Korea and the United States up to a defined earnings threshold. This was in recognition of an acute rise in living costs in these countries, including heating costs in particular. In addition, we established a Hardship Fund open to all employees around the world to help those who need it, irrespective of location or earnings. For more information see our s172 Statement on page 23.



DIVERSITY, EQUITY AND INCLUSION

WHY IT MATTERS...

Diversity, equity and inclusion (DE&I) is the foundation of cultivating an environment in which we can all be our best. This not only aligns with our values, but also supports our efforts to develop passionate, creative and resilient teams. It ensures that our brand reflects the communities in which we work; and means we can attract great talent. Above all, it is about ensuring that everyone who works for us feels accepted, included and valued.

OUR COMMITMENTS:

The following commitments are to be achieved by 2027:

Ethnicity

- 30% underrepresented communities¹ in senior leadership roles (GLT and direct reports)

1. Black, Asian & Latinx.

Gender

- 50% women in senior leadership roles (GLT and direct reports)
- Increase male representation across our retail stores to 40%

In FY22, we achieved our target to increase non-binary colleagues from 2% to 4% globally and we aim to maintain this in future years.

WHAT WE'RE DOING...

A FAIR, MORE INCLUSIVE WORKPLACE

We want to make sure Dr. Martens reflects the communities in which we work. We also want to learn from evolving peer best practice when it comes to race, gender and leadership. This is why we take part in a range of external initiatives, including Diversity in Retail, Change the Ratio, CEO Action and the Diversity and Inclusion in Asia Network.

Additional initiatives included:

- Implementation of a new playbook to help diversify the pool of candidates looking to work with us and to inspire them to grow with us.
- The ongoing development of our underlying Human Resources systems including in relation to our reward structure, benchmarking capabilities and talent attraction, as well as the scope and comprehensiveness of our DE&I data.

FOCUS

Our DE&I strategy

Our DE&I strategy guides our ongoing efforts to develop a fair, more inclusive workplace. This section sets out some of the key initiatives we are implementing to deliver on this strategy.



FOCUS

Our DE&I Learning programme

FY23 was the first full year in which we implemented our DE&I Learning programme, which is available to all our senior leaders and those working in our Human Resources team. This includes a focus on conscious and unconscious bias, inclusive language and the promotion of an inclusive mindset. In addition, our Human Resource Leadership Team and

America Leadership Team implemented learnings they took from their FY22 participation in inclusive leadership pilots, with the same training to be rolled out to our UK and EMEA Leadership Teams in FY24. Beyond this, all new employees are encouraged to complete DE&I training.



**WHAT DO WE STAND FOR?
RACIAL AND ETHNIC
EQUITY. SEXUAL
ORIENTATION EQUITY.
GENDER EQUITY. SOCIAL
MOBILITY. SUSTAINABILITY.**





FOCUS

Making sure our stores in the US reflect the communities they serve

We are conducting DE&I listening sessions with our store managers in the US to discuss how we can be more inclusive and reflective of the communities that shop in our stores. This includes localised approaches to store design such as locally relevant murals and other approaches.

HOW WE'RE DOING

Our DE&I commitments are to be achieved by 2027.

Ethnicity: 30% underrepresented communities ² 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%
 FY23 22% (FY22: 20.6%)	 FY23 36% (FY22: 43.6%)	 FY23 6% (FY22: 4%)	 FY23 27% (FY22: 29%)

1. These values are based on voluntary disclosure in accordance with regional regulations.
2. Black, Asian & Latinx.

Ethnicity

In addition to encouraging open conversation, learning and understanding around issues of ethnicity, we continued to address potential biases and enhance our racial fluency. This included the holding of the following events to celebrate Black History Month in October 2022:

- A fireside chat with Ije Nworie, our independent NED, regarding his journey as a black British leader.
- A presentation from the Foundation for Women's Health, Research and Development (FORWARD), a charity supported by the Dr. Martens Foundation.
- A talk from the European Network Against Racism (ENAR), one of the five new Right to Be programme partners of the Dr. Martens Foundation (more on page 92), on how to best support anti-racism efforts.

Gender

In FY23, we continued working with non-profit organisation Catalyst to make sure we are supporting women in our workplace. On 8 March 2023, we celebrated International Women's Day (IWD) across our global locations by championing women in our business. Catalyst hosted an educational webinar for our people on 'Positive change by embracing equity'. We also hosted our first-ever external-focused content series around IWD, hosting an open conversation between women working in the music industry on representation and how to create a safer, more nurturing environment for everyone. We closed out the month with a Male Allies Workshop and Leadership Panel discussion featuring women from different functions within the business.

During FY23 in the US, we introduced the Reproductive Healthcare Programme following the overturning of Roe v. Wade. Dr. Martens believes that employees should have a choice in their reproductive healthcare options, as well as access to such options. The programme offers a cash benefit and paid time off to assist eligible employees who need to travel out of state to access reproductive healthcare (or to accompany an immediate family member) that is unavailable in their home state.

LGBTQIA+

The foundations of our brand are built on the communities that wear our products. The LGBTQIA+ community has been integral in shaping Dr. Martens into what it is today, which is also reflected in our employee base as almost a third of our people identify as LGBTQIA+. Through collaboration and partnership, we are committed to ensuring that the LGBTQIA+ community continues to be part of shaping and inspiring our future through our year-round Pride activations. Examples of activations in FY23 include:

- Co-creation: The four-part 'Pride Generations' film series showcasing the coming together of cross-generational LGBTQIA+ communities.
- Partnerships with charities and organisations: Donating over £178,000 in financial support to global LGBTQIA+ organisations (for further details see page 92).
- Education and learning from the community: Three episodes were shared on TikTok in partnership with Rainbow History Class to educate the DM's audience about the history of DM's and the LGBTQIA+ community. This was hugely successful, breaking our engagement benchmarks and driving 254K total engagements.

We also continued to produce a Pride product, this time in the 1461 silhouette, to pay tribute to those who engage and support the Pride movement. The DM's Anti-Hate Social Policy was also updated to outline our approach to managing Pride questions and hateful comments.

Social mobility

We believe that everyone should be able to achieve their full potential. That is why we are implementing recruitment and selection practices that support social mobility by focusing on people's potential, rather than their past experiences. An example of this can be found in our Made In England apprenticeship scheme, where the only prerequisite is eagerness to learn and a passion for DM's. A total of 54 people have graduated from the scheme with six new apprentices entering the scheme this year. The apprenticeship scheme also has a strong female representation and has supported female employees into an industry which is historically male dominated.

WHAT'S NEXT?

- Next, we plan to:
- Continue our efforts to increase representation and embed inclusive behaviours into our ways of working. This will include the review of current recruitment practices and the implementation of new recruitment strategies, the enhancement of our diversity data and the ongoing education of our leaders and employees.

HUMAN RIGHTS

WHY IT MATTERS...

Respecting human rights is a matter of integrity and is fundamental to how we show up at Dr. Martens. We are committed to respecting the rights of our people and those in our supply chain which we demonstrate through supplier engagement, monitoring and education. We will always expect high standards of each other and our supply partners.



WHAT WE'RE DOING...

RESPECTING HUMAN RIGHTS IN OUR SUPPLY CHAIN

Our commitment to respecting human rights is reflected in, and supported by, our DOctrine (our business code of conduct), Supplier Code of Conduct, Migrant Worker Policy, Anti-Slavery and Human Trafficking Policy and our DE&I strategy.

Human rights are universal and are as applicable in our own workplace as they are in our supply chain. When it comes to our own employees, we offer an independent, confidential hotline through which people can raise human rights concerns and grievances if they arise.

CSR monitoring programme

We manage human rights risks in our supply chain through our CSR monitoring programme. This is applied to the onboarding and subsequent monitoring of our Tier 1 suppliers, as well as Key Tier 2 suppliers. Under this programme, we conduct audits focused on suppliers' compliance with relevant labour laws, regulations and industry standards, as well as our own policies (including our Supplier Code of Conduct).

Our Supplier Code of Conduct is based on the Ethical Trading Initiative (ETI) Base Code and applies a range of detailed supplier obligations. These obligations aim to ensure that those working in our supply chain can (for example):

- Freely choose employment
- Freely associate and take part in collective bargaining
- Not be subject to child labour
- Not be subject to discrimination

➔ For further information on our supplier audit activity, see **P94**

Anti-modern slavery programme

We are continuing to raise awareness among our employees around human rights and around modern slavery in particular. Employees have access to human rights and ethical trade training, which in FY23 was supplemented by the global rollout of a dedicated modern slavery training module. We also implement measures to address modern slavery risks in the supply chain (page 95).

➔ For further information on our broader anti-modern slavery efforts, see our latest Modern Slavery Statement see our latest Modern Slavery Statement at www.drmartensplc.com



WHAT'S NEXT?

Next, we plan to:

- Further integrate human rights into our third-party due diligence process (see page 95) and work with third-party experts to carry out a formal human rights risk assessment.
- Identify and implement a supply chain mapping tool that will help us better understand our supply chain and identify related human rights and modern slavery risks (among others).

COMMUNITY

WHY IT MATTERS...

We are committed to playing a positive role in society at a local and global level. This is reflected in our values: be yourself, act courageously and show you care. These capture how we show up and stand up for the things we believe in and we want our people to feel they can do the

same. This means giving a voice to the issues that need raising, supporting the communities who need it and providing funding to causes we support. Much of our impact in this regard is delivered through the Dr. Martens Foundation.



WHAT WE'RE DOING...

TAKING DIRECT ACTION

We are proud of our record of supporting social justice. This includes our focus on anti-racism, LGBTQIA+ rights and positive mental health.

Key areas of action in FY23 are set out below. These initiatives are in addition to our provision of a two-day volunteering allowance to our employees. In addition, we also encourage our colleagues in the US to use their paid Juneteenth holiday to give back to their local communities.

FOCUS

Ongoing financial support for LGBTQIA+ champions

We are committed to ensuring the LGBTQIA+ community continues to play a part in and shape Dr. Martens' future through our year-round Pride activations. Partnership is a key focus and throughout FY23 we donated over £178,000 in financial support to LGBTQIA+ organisations including

The Trevor Project in the US, The Albert Kennedy Trust, Arcigay and Jugend gegen AIDS in EMEA, and ReBit in APAC.

For further information on how we are supporting the LGBTQIA+ community, see page 90.



DELIVERING CHANGE THROUGH THE DR. MARTENS FOUNDATION

In parallel, the Dr. Martens Foundation (an independent grant-making charity founded in the UK in 2021) implements a structured programme to champion social justice. It is focused on addressing both the immediate needs of underserved communities as well as the underlying drivers of injustice. The Dr. Martens Foundation's grant-making is focused on two areas: grassroots grants and its new flagship 'Right to Be' programme. In FY23 the Foundation awarded 34 organisations a total of £2.4m.

The Foundation's four pillars of social justice

- | | | | |
|---|---|---|---|
| 1
HUMAN RIGHTS
Protecting and respecting everyone's human rights so that they can enjoy basic rights and freedoms | 2
PARTICIPATION
Ensuring people are involved with decisions that govern their lives, particularly those that are marginalised and excluded in society | 3
EQUITY
Impartiality, fairness and justice for all people in society with a focus on eradicating system inequalities and embedded biases | 4
ACCESS
People should have equal access to resources including education, health care and employment opportunities |
|---|---|---|---|

£2.4m

donated to 34 organisations by the Dr. Martens Foundation in FY23

Right to Be programme






The Right to Be programme was launched in FY23 and is focused on changing the systems that perpetuate inequities. This includes the provision of more substantial grants to larger organisations focused on addressing issues around race, gender and LGBTQIA+ rights, among others.

Under the programme, successful grantees can receive up to £600,000 in funding over three years.

Five organisations were selected to receive £1.9m in funding over the next two to three years through the Right to Be programme. They are:

£1.9m

in funding for five organisations in the next two to three years

					
	European Network Against Racism	National Black Justice Coalition	The Women's Foundation	Outright Action International	ReBit
Location	Europe	USA	Hong Kong	Global	Japan
Focus theme	Anti-racism	Anti-racism & LGBTQ+ rights	Women's empowerment	LGBTQ+ rights	LGBTQ+ rights
Project	Advocacy for policy making and legislation that ensures safe and secure lives for ethnic minorities.	Development of an online Action Hub that monitors LGBTQ+ and race laws, creates action alerts for members and connects members with policymakers.	Encouragement of women and girls to pursue Science, Technology, Engineering and Mathematics (STEM) degrees, as well as the encouragement of female leaders.	Establishment of LGBTIQ organisations in three countries, advocacy against the criminalisation of homosexuality in at least one country and the provision of support to 1,200 LGBTIQ people affected by Covid-19.	Training of volunteer speakers to educate teachers and students on LGBTQ issues, helping ensure schools are safe for students who identify as LGBTQ.



Outright International prioritises collaborations with purpose-driven organisations that are committed to authentically representing and serving lesbian, gay, bisexual, transgender, intersex, and queer (LGBTIQ) communities. Dr. Martens Foundation is one of those organisations. This partnership allows Outright to access resources and extend our reach to stakeholders that we otherwise might not reach.

Elise Colomer-Cheadle,
Director of Development at Outright Action International



The grassroots grant programme

The Dr. Martens Foundation grassroots grant programme lets people at Dr. Martens nominate charities and grassroots organisations pursuing social justice for funding of up to £20,000. In FY23, 27 grassroots grants totalling £511k were awarded by the Dr. Martens Foundation.

Emergency support

The Dr. Martens Foundation can also provide immediate support to respond to emergencies and disasters. In FY23, this included emergency funding totalling £50,000 to help address the human impacts of the war in Ukraine.

WHAT'S NEXT?

The Dr. Martens Foundation now plans to develop its relationships with the 'Right to Be' partners, continue to fund more organisations through the grassroots grant programme and establish activities with a champions network through its corporate sponsor Dr. Martens plc.

RESPONSIBLY MANAGING OUR SUPPLY CHAIN

OUR GLOBAL SUPPLY CHAIN

We are committed to fostering strong, collaborative partnerships with our supply chain partners. This helps us maintain strict quality standards and underpins our cross-value chain approach to improving the sustainability of our products. Most of our footwear and accessories are manufactured by our Tier 1 suppliers in Asia with around 1% of footwear being made at our Made In England factory in the UK. Our Tier 1 factory list is shared on our website and is updated every six months.

Meanwhile, the components that go into our products are supplied by:

- Key Tier 2 suppliers, which produce strategic components (e.g. leather, outsoles)
- Tier 2 suppliers, which produce other components such as linings and tags

For further information on how we manage our supply chain, see page 28, as well as our latest Modern Slavery Statement which can be found on our plc website.

OUR POLICIES

The following policies set out our supplier requirements:

- Supplier Code of Conduct¹
- Anti-Bribery and Corruption Policy
- Migrant Worker Policy²
- General Materials Requirement Policy
- Supplier Environmental Standard
- Animal Derived Materials Policy
- Needle Policy

These policies are integrated into the Master Supplier Agreements we have with our Tier 1 suppliers. Similarly, we have contractual provisions that require our agents, distributors and franchisees to comply with these policies.

HOW WE ENGAGE WITH OUR SUPPLIERS

Our CSR teams work directly with new and existing Tier 1 and Key Tier 2 suppliers and their factories. The teams are based in key sourcing locations, helping them respond quickly to any challenges. In addition, we hold regular Tier 1 supplier conferences throughout the year (approximately bi-monthly), where we share learnings and promote constructive, two-way communication.



FOCUS

Responsible Purchasing Principles

During FY23, we started conducting extensive internal engagement in partnership with an expert third party to develop the first iteration of our Purchasing Practices Charter. With clear and responsible principles to be applied to our supplier relationships, the aim is to:

- Foster strong relationships that support sustainable practices in our supply chain
- Enable us to further improve our buying practices, while generating additional insights into forecasting, pricing and other key areas for responsible sourcing
- Ensure we manage clear and effective communication with our suppliers and have realistic, agreed expectations on things such as lead times and payment terms

The Charter builds on the responsible buying practices we have applied in the past such as continuing to pay our suppliers throughout Covid-19 and includes a focus on key areas such as production scheduling optimisation, forecasting and pricing.

We continue to build upon this work, including through supplier engagement to ensure we hear their voices and their feedback.

1. Based on the Ethical Trade Initiative Base Code and the conventions of the International Labour Organization. The Supplier Code of Conduct (which is reviewed annually) addresses issues such as forced labour, child labour, subcontracting, homeworking, and modern slavery.
2. Based on the Dhaka Principles developed by the Institute for Human Rights and Business, and broader international best practice.



HOW WE MONITOR PERFORMANCE

Factory approval and monitoring takes place through our CSR monitoring programme. This includes independent, third-party CSR audits, which must be completed before we engage any new Tier 1¹ and (as of FY23) selected Key Tier 2² supplier factories. Audits use the Workplace Conditions Assessment (WCA) on-site audit protocol.

We also require regular (i.e. at least annual) monitoring of Tier 1 and selected Key Tier 2 supplier factories that are already producing our goods. This is also undertaken on an independent basis, again using the WCA on-site audit protocol. The protocol assesses risks around relevant social and environmental compliance issues, including those relating to the following, among others:

- **Labour:** Including child labour, forced labour, discrimination, freedom of association, employment contract and discipline, harassment and abuse
- **Wages and hours:** Including working hours and wages and benefits
- **Health & Safety:** Including work facilities, emergency preparedness, occupational injury, machine safety, safety hazards, hazardous materials and dormitories and canteens
- **Environment:** Including environmental management systems and certifications
- **Business practices:** Including issues ranging from integrity through to data protection and competition law
- **Management systems:** Including issues ranging from social compliance policies through to the auditing of suppliers, subcontractors and labour providers

Monitoring audits are carried out on a semi-announced basis (i.e. suppliers are given a window of 30 days during which audits could take place).

The frequency of follow-up audits is determined by each supplier's audit rating, which is based on the severity of identified risks or issues. If issues are identified, we work collaboratively with our suppliers to develop corrective action plans to remedy non-conformances. We also carry out follow-up checks to ensure the corrective actions have been implemented. As a last resort, should a supplier fail to remediate issues identified, the supplier partnership is reviewed and may be ended.

In FY23, 100% of our audited Tier 1 suppliers met our high scoring threshold in the WCA audit (see KPI box above). We also focused our Key Tier 2 audit activity on a selection of our highest volume suppliers. 100% of our Key Tier 2 suppliers CSR audited also met our high standard.

WHAT'S NEXT?

We are continuing to expand the number of Key Tier 2 suppliers that are subject to our CSR audits. In addition, we plan to identify and implement a supply chain mapping tool that will enhance traceability and transparency across our supply chain, helping us better understand our related risks and opportunities.

1. Suppliers that manufacture/assemble finished goods.

2. Suppliers of 'strategic' components like leather, PVC granulates and packaging material, who we engage directly.

KPI

FY23 supplier CSR audit results (using WCA audit score)

100%

of our Tier 1 suppliers audited met our high performance standards in externally conducted CSR audits³ (FY22: 100%)

100%

of Key Tier 2 suppliers audited met our high performance standards in externally conducted CSR audits⁴

3. Audit results of 75% or more, in line with Intertek Workplace Conditions Assessment scoring methodology.

4. Audit results above 70% or more, in line with Intertek Workplace Conditions Assessment scoring methodology.

FOCUS

Third-party due diligence

In addition to the above supplier engagement and monitoring activities, we implement a range of due diligence actions whenever we enter into new vendor relationships. Among other things, this includes a Vendor Risk Assessment and compliance screening. The level of due diligence depends on factors including the supplier's location, anticipated activities and size of contract, and is reviewed on an annual basis. This process will flag risks associated with a supplier, including ethical concerns such as modern slavery risk and regulatory non-compliances.

SUSTAINABILITY GOVERNANCE

➔ For further information on our broader governance structure and risk management framework, see **P120**

Sustainability governance structure

The Board is responsible for the oversight and integration of ESG-related activities across the business, including the sustainability strategy and ESG related policies and practices. Our sustainability strategy is sponsored by our Chief People and Sustainability Officer (CPSO), Emily Reichwald. The Sustainability Committee assists the Board in meeting its oversight responsibilities by providing review and direction for the sustainability strategy. It is chaired by our CEO, Kenny Wilson, and includes our COO, CPO and CMO plus other key functional heads. In this year's Board meetings, ESG and sustainability-related discussions included Science-Based Targets, investment in a materials innovation partner, funding for the Dr. Martens Foundation and employee engagement progress.

The Sustainability Committee reports directly to the Board and provides regular updates to help determine the focus and direction of the strategy. In FY23, the Sustainability Committee met bi-monthly, with our working groups feeding into these meetings as appropriate.

- The purpose of the working groups are:
- Operations: To ensure high standards across DM's operations and supplier base, focusing on maintaining high CSR standards and minimising environmental impacts.
 - Materials and packaging: To identify and deliver material sustainability improvements across all DM's products and packaging.
 - Lifecycle: To reduce the impact of DM's products throughout their lifecycle from design to use to end-of-life.
 - In November 2022, we initiated a new Sustainability Communications Working Group which helps guide the direction, delivery and review of our external sustainability-related communications.

During FY23 we also established the Recommerce Steering Committee (which held its first meeting in February 2023):

- Its purpose is to advance the repair and resale opportunities globally and incorporate recommerce into the Group's strategic direction and financial planning. It is chaired by our CFO and meets approximately every six weeks (more detail on this and the TCFD Steering Committee can be found in our TCFD disclosure on page 99).

Policies
Our policy requirements are regularly reviewed by our Legal, Compliance and Sustainability teams. Policies are developed using international standards and by examining best practices across the industry.

Internal policies
Our key ESG policies include:

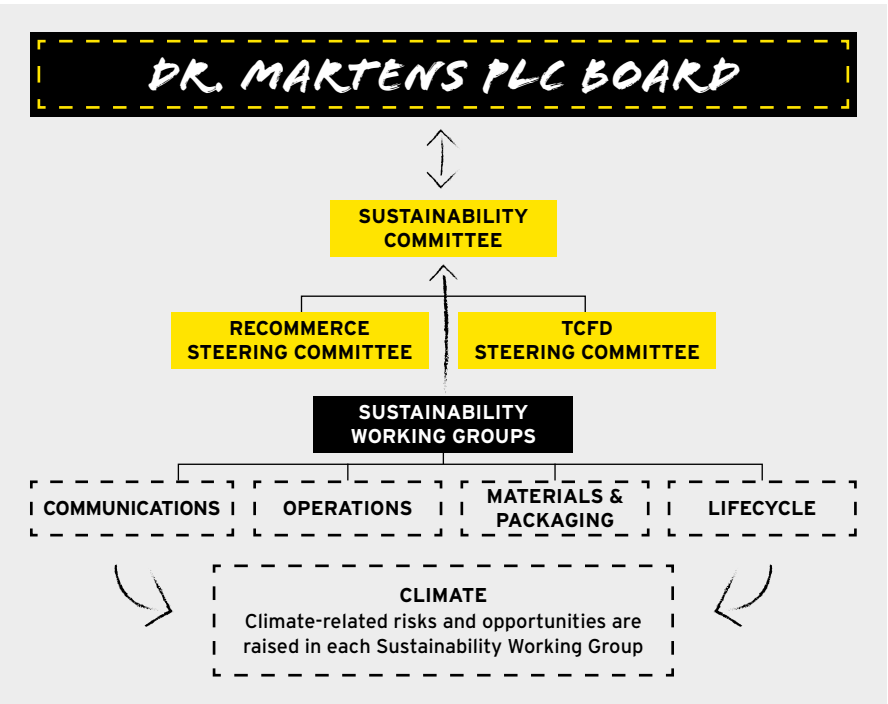
- The DOctrine, our business code of conduct, including:
 - Anti-Bullying, Discrimination and Harassment
 - Data Protection
 - Health and Safety
 - Human Rights and Ethical Trade
 - Anti-Bribery, Corruption and Fraud
 - Competition Law/Anti-Trust
 - Confidential Information
 - Conflict of Interest
-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

These are in addition to our supplier policies (see page 94).

➔ For further information visit [drmartensplc.com](https://www.drmartensplc.com)

Compliance and training
Our global compliance and training platform enables the consistent distribution of policies and training materials to our employees across all regions (and in relevant languages). It also provides live views and up-to-date reporting, allowing targeted training and communication where needed.

- Training modules for all Dr. Martens employees include those on:
- (New for FY23) Forced Labour and Ethical Trade
 - Diversity, Equity & Inclusion
 - Financial Crime (including Anti-Bribery and Corruption)
 - Data Protection and Privacy
 - Acceptable Usage
 - Cybersecurity



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.

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	<p>(1) We classify the following as Tier 1: 17 Tier 1 Footwear, 8 Tier 1 Accessories (plus 4 Upper, and 8 Outsole suppliers). As per our Tier 1 definition, we have 37 Tier 1 supplier factories in total. More information can be found on page 94.</p> <p>(2) For our SS24 production we have 181 Tier 2 suppliers. Our supplier numbers fluctuate season to season.</p>
MANAGEMENT OF CHEMICALS IN PRODUCTS				
Discussion of processes to maintain compliance with restricted substances regulations.	Discussion and analysis	N/A	CG-AA-250a.1	See 'Chemicals' and 'Water' within 'Our supply chain' on page 75.
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 'Chemicals' and 'Water' within 'Our supply chain' on page 75.
ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN				
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	<p>(1) 100% of Tier 1 suppliers sign our Environmental Standards agreement, which includes our wastewater management and effluent treatment requirements.</p> <p>(2) 97% of our leather suppliers are LWG certified. During FY23 one supplier did not renew their certification which expired. Those that are certified and conduct wet processing comply with the LWG protocol, which is aligned to ZDHC and Dr. Martens wastewater requirements as outlined in our Environmental Standard. For more information see the Leather section on page 79 and Water on page 75.</p>
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	(1) In FY23 our Tier 1 Made In England manufacturing sites maintained ISO 14001 certification. 25% of our Tier 1 supplier factories have declared they have ISO 14001 certification or have completed the Higg FEM assessment.

METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
LABOUR CONDITIONS IN THE SUPPLY CHAIN				
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) 100% of our Tier 1 supplier factories have been audited to the Workplace Conditions Assessment (WCA) on-site audit protocol. For more information see Responsibly managing our supply chain (page 95).</p> <p>(2) 97% 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	For more information see Responsibly managing our supply chain (pages 94 to 95).
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	<p>(1) For more information see Responsibly managing our supply chain (pages 94 to 95) or our latest Modern Slavery Statement.</p> <p>(2) Our priority climate-related risks can be found in our TCFD disclosure on pages 99 to 107. Leather is our key upper material (pages 75 and 78 to 79).</p>
RAW MATERIALS SOURCING				
(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-AA440a.3	For more information see Materials and packaging (pages 78 to 81), TCFD report (pages 99 to 107) and Risk management (pages 54 to 59).
(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	Percentage (%) by weight	G-AA440a.4	In AW23 98% of our upper leather came from LWG certified tanneries. For more information see the Leather section on pages 78 and 79. In FY23, we began the development of a new system which, once fully operational, will deliver enhanced visibility across our product lifecycle and enable reporting in the required unit of measure against this metric.