



TAKING ACTION ON SUSTAINABILITY

OUR FY24 HIGHLIGHTS

Planet

2040

Net-Zero by FY40 target validated by the Science Based Targets initiative (SBTi)

➔ P51

EMISSIONS MANAGEMENT TOOL

used to calculate our footprint for the first time

➔ P51

93.5%

of electricity consumption for our owned and operated UK and EMEA sites came from renewable sources

➔ P52

Product

RESALE PLATFORM

launched in the USA

➔ P62

AUTHORISED REPAIR SERVICE

launched in the UK

➔ P61

RECLAIMED LEATHER

footwear launched

➔ P59

People

RESPONSIBLE PURCHASING

supplier charter developed

➔ P65

100%

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

➔ P65

10%PTS

increase in women in senior leadership roles since FY23 (FY23: 36%, FY24: 46%)

➔ P68

EXTERNAL RECOGNITION IN FY24

AAA

Top ESG rating of AAA from MSCI

B

CDP Climate Score Management Level B



MORE ONLINE

➔ OUR MATERIALITY ASSESSMENT

➔ OUR IMPACT ON THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)



FIND OUT MORE AT:

[DRMARTENSPLC.COM](https://www.drmartensplc.com)



As brand custodians, we are focused on adding long-term value to our business, without taking short cuts. We are proud to have launched several initiatives which mark key milestones in Dr. Martens sustainability journey.

This year, we made great progress to support our consumers to maximise the longevity of their products through repair and resale. The durability and timeless design of Dr. Martens products mean we are perfectly placed to take on this opportunity and expand into the growing sector of recommerce. We were excited to launch authorised repair in the UK and our resale platform in the USA, ReWair.

We also continued to invest in innovation as we seek to reduce the impact of our new products through sourcing lower impact materials. In March 2024, we launched footwear made from reclaimed leather, an innovative material which tackles leather waste in the supply chain. It takes a test and learn mentality to bring projects such

as these to life and we make sure we learn from everything we do. These initiatives support our Net-Zero by FY40 target, which was approved by the SBTi this year – another pivotal moment. Approval of our science-based targets solidifies our long-term ambition to decarbonise our business and supply chain. We also continued working towards our commitments to our people and communities, as we developed our responsible purchasing practices charter.

In this report we outline the key progress we have made over the past year towards our sustainability strategy of Planet, Product, People. We hope you enjoy.

TUZE MEKIK
Director of Sustainability

EMILY REICHWALD
Chief Sustainability Officer¹

Aligning Executive pay with our sustainability performance

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 119.

1. During FY24.

EMBEDDING OUR SUSTAINABILITY STRATEGY

Focus areas Our commitments¹

Planet	Climate	Energy and climate <ul style="list-style-type: none"> • Net-Zero by FY40 (target validated by SBTi) • Renewable electricity across all owned and operated facilities by 2025
	Operations	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
Product	Materials	Materials <ul style="list-style-type: none"> • 100% of footwear made from sustainable materials by 2040 • Sustainable alternative to outsoles by 2035 • Sustainable vegan upper material by 2028 • Remove 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 2040 • Zero deforestation by 2025 Leather supply <ul style="list-style-type: none"> • 100% leather traceability for all countries by 2024 • 100% upper leather from LWG tanneries by 2023
	Packaging	Packaging <ul style="list-style-type: none"> • 100% packaging from recycled or other sustainably sourced material by 2028
	Lifecycle	Useable life <ul style="list-style-type: none"> • All products align to sustainable design criteria by 2028 • Offer options and guidance for wearers to maximise useable life by 2025 End-of-life <ul style="list-style-type: none"> • 100% products sold have sustainable end-of-life option by 2040
People	DE&I	<p>The following commitments are to be achieved by 2027:</p> Ethnicity <ul style="list-style-type: none"> • 30% underrepresented communities in senior leadership roles (GLT and direct reports) Gender² <ul style="list-style-type: none"> • 50% women in senior leadership roles (GLT and direct reports) • Increase non-binary colleagues from 2% to 4% globally
	Human rights	<p>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.</p> <p>In FY24, we undertook our first human rights risk assessment to inform our management approach in this important area.</p>
	Communities	<p>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.</p> <p>In parallel, the Dr. Martens Foundation (an independent UK charity) implements a structured programme to help organisations pursue social justice.</p>

1. The deadline for all sustainability commitments is the end of the calendar year stated, except for the Net-Zero by FY40 target which is 31 March 2040.
 2. We have removed the target to increase male representation across our retail stores to 40% because we believe it no longer aligns with our DE&I strategy. We remain focused on progressing towards our other DE&I targets and commitments.

Our sustainability strategy has three pillars: Planet, Product, People, and sets out our sustainability commitments. We are delivering on these commitments through the implementation of our detailed roadmaps, which include actions, milestones and KPIs. These are being led by dedicated cross-functional working groups and are underpinned by our robust sustainability governance structure.

In addition, we have established several strategic initiatives to further support the delivery of our strategy. This includes our cross-cutting climate initiatives, our DE&I Strategy, our CSR monitoring and modern slavery programmes and the Dr. Martens Foundation.

Relevant UN SDGs

Supported by our strategy



How our sustainability strategy underpins our DOCS strategy

Our sustainability strategy plays an important role in supporting the long-term delivery of our DOCS strategy (page 22). Key areas of alignment between our sustainability efforts and our DOCS strategy include:

D DTC FIRST
This includes building a profitable resale, repair and end-of-life business model. We are working towards this aim through the development of our resale initiatives in the UK and USA, as well as the launch of our direct-to-consumer authorised repair service in the UK.

O ORGANISATIONAL AND OPERATIONAL EXCELLENCE
This includes building a best-in-class resilient, sustainable and scalable supply chain. We are working to decrease waste and enhance transparency across our supply chain, while further advancing our responsible supply chain management efforts.

C CONSUMER CONNECTION
This includes demonstrating sustainability leadership through the development of durable and innovative products. This year we launched footwear using Genix Nappa, a material made from leather offcuts.

S SUPPORT BRAND EXPANSION WITH B2B
While our sustainability strategy does not directly support the 'S' pillar, it is actively demonstrating to our business partners and consumers that we are committed to leaving things better than we found them.

Our sustainability strategy is also integral to our ethos of Rebellious Self Expression. This is about standing up for what we believe in and being a business with integrity that takes our responsibilities seriously towards the planet, our people and our broader stakeholders.

The above referenced sustainability initiatives are covered in detail throughout this section.

→ **OUR STRATEGY P22**

PLANET

We are working to minimise our impact on the planet. This includes a strategic plan to achieve Net-Zero greenhouse gas (GHG) emissions across our value chain by FY40. We are also continuing to responsibly manage our broader environmental impacts through the pursuit of operational excellence, within both our own operations and our broader supply chain.

FOCUS AREAS AND COMMITMENTS

Climate

- Net-Zero by FY40
- 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 P51 AND 54

PROGRESS HIGHLIGHTS

VERIFICATION OF OUR SCIENCE-BASED TARGETS

Our FY40 Net-Zero science-based targets have been verified by the SBTi

EMISSIONS MANAGEMENT TOOL

used to calculate our footprint for the first time

93.5%

of electricity consumption for our owned and operated UK and EMEA sites came from renewable sources

RELATED UN SDGS



➔ TO FIND OUT MORE, SEE OUR SDG MAPPING EXERCISE AT: DRMARTENSPLC.COM

CLIMATE

WHY IT MATTERS...

Urgent action is needed to address climate change and limit the increasing impacts caused by global warming. This year, the validation of our science-based targets (SBTs) has solidified our ambition to decarbonise our business and collectively limit the impacts of the climate crisis.

OUR COMMITMENTS: Energy and climate

- Net-Zero by FY40 (target validated by SBTi)
- Renewable electricity across all owned and operated facilities by 2025

Our near and long-term science-based targets

EMISSIONS IN SCOPE		FY30	FY40
SCOPE 1 AND 2	All	90% (Net-Zero)	Maintain at least 90% reduction
SCOPE 3	Non-FLAG (all other Scope 3 emissions in scope)	30%	90% (Net-Zero)
	FLAG (Forests, Land and Agriculture emissions associated with cattle rearing)	30.3%	72% (Net-Zero)

WHAT WE'RE DOING...

OUR PATH TO NET-ZERO

Validation of our science-based targets

In October 2023, the Science Based Targets initiative (SBTi) validated our near and long-term emissions targets¹. Our SBTs are informed by climate science and will help guide us in our journey to reach Net-Zero across our own operations and value chain. They focus on reducing our absolute total emissions rather than our emissions intensity. As leather represents a significant proportion of our total carbon footprint, we have set leather-specific emissions reduction targets, in line with the SBTi Forest, Land and Agriculture (FLAG) guidance. Our targets are aligned with limiting global warming to 1.5°C (Scope 3 near-term targets are aligned to well below 2°C):

Dr. Martens commits to reach Net-Zero greenhouse gas (GHG) emissions across the value chain by FY40.

Near-term targets:

- Scope 1 and 2: Reduce absolute scope 1 and 2 GHG emissions 90% by FY30 from a FY20 base year.
- Scope 3: Reduce absolute scope 3 GHG emissions 30% by FY30 from a FY20 base year.
- FLAG (Forests, Land and Agriculture): reduce absolute Scope 3 FLAG GHG emissions 30.3% by FY30 from a FY20 base year.

Long-term targets:

- Scope 1 and 2: Maintain at least 90% absolute scope 1 and 2 GHG emissions reductions from FY30 through FY40 from a FY20 base year.
- Scope 3: Reduce absolute scope 3 GHG emissions 90% by FY40 from a FY20 base year.
- FLAG: reduce absolute scope 3 FLAG GHG emissions 72% within the same timeframe.

Our achievement of these targets requires action across several areas of our business, as set out on the next page.

Our carbon footprint

For our third annual carbon footprint calculation, we continued to measure our emissions across our operations and full value chain. For the first time, this exercise was conducted using a third-party emissions management tool. It was carried out in line with the Greenhouse Gas (GHG) protocol and covered the FY23 period² (1 April 2022 to 31 March 2023). FY23 captures the most recent and accurate data we have available for our Scope 3 emissions. Our FY24 Scope 1 and 2 emissions can be found in our Streamlined Energy and Carbon Reporting (SECR) disclosure (page 53).

Understanding our footprint

Dr. Martens Scope 1, 2 and 3 emissions totalled 280,456 tonnes of CO₂e in FY23³ (FY22: 275,463 CO₂e). During this period, our business continued to grow, reaching £1bn in revenue. For our FY23 footprint, we used a third-party emissions management tool to calculate our footprint for the first time. This change in approach meant that some categories were calculated using different methodologies than those used in FY20 and FY22⁴. The transition to using the software to monitor our emissions represents a step forward in our reporting journey and means our footprint will be measured more consistently and efficiently going forward.

The software provider periodically updates the methodology to capture the latest climate science and emissions accounting best practices, both of which are continuously evolving. These updates keep measurements as accurate as possible.

The granularity and quality of input data used to calculate our FY23 footprint were also significantly improved across several categories. Where available, we used lifecycle assessments (LCAs) specific to the materials sourced. For example, we used LCAs covering 49% of the leather we

1. These use a FY20 baseline as FY21 was subject to significant Covid-19 related disruption.
 2. We report one year in arrears due to the time required to process the large amount of scope 3 emissions data.
 3. Market-based scope 2 emissions.
 4. Key methodology changes included: refrigerant gas emissions calculations, energy usage at sites where data was not available, emissions associated with waste production at stores and offices where data was not available, and accounting for componentry emissions (including non-leather upper materials, components such as heel loops and insoles, and construction materials used in outsoles and uppers).

FOCUS

Examples of how we plan to achieve our science-based targets

DM'S EMISSIONS

Scope 1 & 2 (direct emissions and purchased energy) (~1% of total footprint)

IN PROGRESS

- Renewable electricity procurement across owned and operated sites
- Energy efficiency measures including switching to LEDs, HVAC optimisation and installing smart meters
- Transition company cars to electric vehicles

FUTURE PLANS

- Energy efficiency awareness training and engagement for employees

Scope 3 (supply chain emissions) (~99% of total footprint)

IN PROGRESS

- Transition to low carbon materials (e.g. bio-based alternatives)
- Reduce leather related emissions by sourcing leather that is traceable, deforestation-free and from regenerative sources
- Increased material efficiency and circularity
- Scaling up repair and resale business models

FUTURE PLANS

- Supply chain transport electrification and promoting low carbon movements via sea, rail and road
- Supporting supply chain to reduce energy use and transition to renewables

sourced, rather than using less specific emissions factors. These improvements mean our FY23 footprint is more accurate and comprehensive than in previous years, however it is not directly comparable against the FY20 and FY22 footprints due to these changes. A breakdown of our FY23 scope 3 emissions categories can be found on page 83 in our TCFD Report.

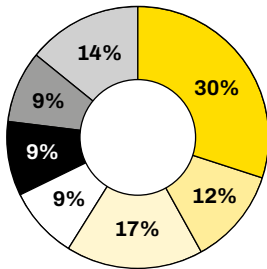
Energy efficiency

Improving energy efficiency is key to reaching our Net-Zero target. This year we upgraded our heating, ventilation and air conditioning system in our Made In England factory to run off a renewable electricity supply instead of gas, helping us to move away from fossil fuels. We have also continued to transition the lighting at our UK factory and distribution centre to LED. We are aiming to complete the final phase of transitioning our owned UK operations to LED lighting next year.

FY20 and FY23 footprint for Scope 1, 2 and 3 emissions¹:

Scope	Baseline FY20 emissions (Tonnes CO ₂ e)	FY23 emissions (Tonnes CO ₂ e)	FY23 percentage of total value chain emissions (%)
Footprint calculation method	Third-party consultant	Emissions management software	
Scope 1	640	1,151	0.4%
Scope 2 (Location)	1,891	2,502	–
Scope 2 (Market)	1,936	1,903	0.7%
Scope 3 ²	240,355	277,402	98.9%

FY23 Scope 3 emissions (% of Scope 3 emissions)



- Leather
- Outsoles
- Accessories, packaging and other materials
- Manufacturing
- Non-product purchased goods and services
- Transportation and distribution
- Other³

3. Other emissions include capital goods, fuel and energy related activities, waste generated in operations, business travel, employee commuting, use of sold products, end-of-life of sold products, franchises, and investments.

1. Values are rounded and totals are calculated before rounding. We worked with different external partners and therefore used different methodologies for our FY20 and FY22 vs FY23 GHG emissions profiles. Additional information on the approach used in FY20 and FY22 can be found in our previous Annual Reports. FY23 Scope 1 and 2 emissions have been recalculated using the emissions management tool this year to ensure the measurement is consistent and comparable against the FY24 emissions. This led to a change in emissions from previously reported FY23 figures due to an increase in data availability and methodology changes as a result of using the emissions management tool.

2. All material emissions categories are included. The following GHG Protocol Scope 3 emissions are excluded from FY23 because they are covered in another category or because they are not relevant for our business: (8) Upstream leased assets, (10) Processing of sold products and (13) Downstream leased assets.

Streamlined Energy and Carbon Reporting Statement

Emissions data in respect of the FY24 reporting period is as follows:

GHG Protocol Scope	Sub-category	FY23 emissions (tCO ₂ e)		FY24 emissions (tCO ₂ e)	
		UK	Global	UK	Global
Scope 1	Combustion of fuel and operation of facilities	303	563	355	596
Scope 1	Combustion of fuel from owned or leased vehicles	36	588	83	359
Total Scope 1		339	1,151	438	955
Scope 2 (Location-based)	Purchased energy	506	2,502	623	2,889
Scope 2 (Market-based)	Purchased energy	173	1,903	248	2,168
Scope 1 and 2 (Location-based)		845	3,653	1,061	3,844
Scope 3 (grey fleet only)	Grey fleet	16	55	14	50
Total emissions (Location-based)		862	3,708	1,075	3,894
Total energy use (kWh)		3,88,125	11,746,360	4,498,868	11,978,415
Turnover (£)		–	1,000,299,000	–	877,053,126
Intensity ratio (tCO₂e/£100,000)		–	0.37	–	0.44

- The reporting period for SECR is 1 April 2023 to 31 March 2024 and covers Dr. Martens plc and other Group companies. An operational control approach is applied to defining organisational boundaries. Data is reported for sites where it is considered that Dr. Martens has the ability to influence energy management. Data is not reported for sites where Dr. Martens has a physical presence but does not influence the energy management for those sites, such as a concession within a department store.
- Scope 1 and 2 emissions include gas, fuel used in transport, fugitive emissions, other fuels and purchased electricity. Scope 1 physical or chemical processing emissions are not applicable and Scope 2 steam, district heating and district cooling emissions are not applicable. Our complete Scope 1-3 emissions are calculated one year in arrears due to the complexity of the data collection process; our FY23 footprint including full Scope 3 emissions can be found on page 83.
- This year, for the first time, emissions within the SECR disclosure have been calculated using a third-party emissions management tool.
- Emissions are calculated following the GHG Reporting Protocol (Corporate Standard), taking into account the 2015 amendment which sets out a 'dual reporting' methodology for Scope 2 emissions.
- Separate UK dual reporting has been conducted, in addition to mandatory global reporting, which encompasses all global data.
- Data is sourced from a combination of half hourly readings and energy invoices. Where data was unavailable, energy consumption is estimated for the respective meter and period.
- Energy usage estimation methods include calculating the average daily consumption and applying to the period in question or estimating based on building type and square-footage. This is combined with emissions factors from the USA Environmental Protection Agency (EPA), Ecoinvent, TCR and other data sources to calculate GHG emissions. Electricity emissions factors are chosen based on geography to reflect the emissions intensities of the facilities' local grid. Fugitive emissions from refrigerant leakage is estimated for all facilities. Known refrigerant gas releases are accounted for.
- In some instances, data could not be converted to energy consumption. In FY23 this includes 61.1 kg of fugitive gas in the UK and 153.7 kg globally, as well as Scope 3 grey fleet emissions (68,386 km and 2,615 USD in the UK and 56,956 USD globally). In FY24 this includes 114.9 kg of fugitive gas in the UK and 214.6 kg and 4,967 USD globally, as well as Scope 3 grey fleet emissions (66,544 km in the UK and 165,899 km and 15,351 USD globally).
- FY23 Scope 1, 2 and grey fleet Scope 3 emissions have been recalculated using the emissions management tool this year to ensure the FY23 footprint is consistent across the value chain and comparable against the FY24 SECR disclosure. This led to a change in emissions from previously reported FY23 figures due to an increase in data availability and methodology changes as a result of using the emissions management tool.
- Dr. Martens appointed a third party to provide independent limited assurance of the FY24 SECR Disclosure, including the recalculated FY23 emissions, in accordance with International Standard on Assurance Engagements (ISAE) 3410.

CLIMATE RISKS AND OPPORTUNITIES

We are continuing to advance our understanding of our climate risks and opportunities, as well as their financial implications. For further details on our CROs, including related mitigation actions, see our full Task Force on Climate-related Financial Disclosures (TCFD) disclosure (page 75). This includes deep dive case studies on repair and resale, riverine flooding and carbon taxation.

WHAT'S NEXT?

Next, we plan to continue integrating climate risk and opportunities into our business management processes. We will also continue to use the new emissions management tool to model our emissions scenarios to assess progress against our Net-Zero milestones.

FOCUS

Increasing renewable energy use at our sites

Region	FY23	FY24
	(% of total kWh consumption) ⁴	(% of total kWh consumption)
EMEA	92.0%	93.5%
Global	44.0%	46.3%

Transitioning to energy from renewable sources is a key mechanism in our efforts to decarbonise Dr. Martens direct activities. As part of our approach, we are moving away from using fossil fuels by upgrading gas powered HVAC systems to electric, enabling them to be powered through renewable electricity. By doing this, in FY24 our Scope 1 emissions decreased by 17% from FY23 (FY23: 1,151 tCO₂e, FY24: 955 tCO₂e). We are working to source 100% of electricity

from renewable sources across our owned and operated sites by the end of 2025. During FY24, 93.5% of the electricity consumption for our owned and operated sites in EMEA (including UK) came from renewable sources⁵. While the total consumption of renewable electricity increased, the overall proportion remained flat. Multiple new stores opened during FY24, some of which are still due to be moved onto a renewable contract. In FY25, we will focus on transitioning the remaining UK and EMEA sites and the electricity supplies of our owned and operated sites in the USA and APAC.

COMMITMENTS SUPPORTED:

- Net-Zero by FY40
- Renewable electricity across all owned and operated facilities by 2025

4. From this year onwards the renewable electricity target will be reported as a % of total kWh electricity consumption, to better align with the requirements of CDP, which we also disclose against on an annual basis. Previously this was reported as a % of the total number of sites per region. The FY23 figure disclosed in our previous Annual Report (EMEA and UK: 91%) has been amended to align with our updated approach (92%).

5. Sites where Dr. Martens does not have operational control of electricity procurement have been excluded.

OPERATIONS

WHY IT MATTERS...

Operational excellence is a core pillar of our DOCS strategy. Pursuing operational excellence is not only good for our business, but also for the environment. This includes the responsible management of waste and chemicals, as well as the application of sustainable environmental standards. We work with our suppliers to promote more responsible environmental standards throughout the value chain.

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 P64 FOR MORE INFORMATION ON **HOW WE RESPONSIBLY MANAGE OUR SUPPLY CHAIN**



WHAT WE'RE DOING...

OUR OWN OPERATIONS

While most of our environmental impact is of an indirect nature and takes place through our supply chain, we want to lead by example in our own operations. This is why we continued to pursue a range of sustainability initiatives at our Made In England factory, which is certified to the ISO 14001 environmental management system standard¹. These are:

- The use of automatic cutting machines, resulting in higher levels of cutting efficiency and reduced leather waste.
- The recycling of post-industrial PVC waste through our outsole manufacturing process.

- Manufacture of our 'deadstock' product line, which has been integrated into all planned Made In England future seasons.
- The fitting of new electric heating, ventilation and air conditioning (HVAC), as well as the ongoing replacement of existing light fittings with LED bulbs.

We are also working to implement more sustainable practices across our stores, through the development of our Sustainable Store Development Guidelines, which are informed by the Building Research Establishment Environmental Assessment Methodology (BREEAM) standards. The draft guidelines were subsequently tested at our Cambridge store, with further testing to take place at our store in Hamburg, before being rolled out more widely.



1461 Made In England Deadstock Leather Oxford Shoes

1. With the latest assessment taking place in December 2023.

OUR SUPPLY CHAIN

Waste

Our commitment to achieve zero waste to landfill across our full value chain by 2028 will require systematic, positive change across our supply chain. In FY24, we continued to collect supply chain environmental data to help us actively monitor our indirect waste impacts. Within our own operations, our UK distribution centre was zero waste to landfill throughout 2023. Leather and PVC are two of our main materials and represent two of our key waste streams.

In FY24, we launched our first products made from reclaimed leather, Genix Nappa, which is made from pre-consumer leather waste (page 59). In addition, our 'deadstock' product line, which incorporates leather left over from previous seasons, saw its first full year of operation, achieving strong sales.

Our outsole suppliers take waste PVC produced during the manufacturing of our outsoles and reinject it into the process. The same technique is applied at our Made In England factory, which also sends any non-reusable PVC waste (e.g. mixed colour waste) to a partner that recycles it into new footwear. We are also working with our product recycling partner in the EMEA region to investigate opportunities for the recycling of post-consumer PVC outsoles into new outsoles. More on our efforts to reduce waste through product circularity and recycling can be found in the Lifecycle section on page 61.



Chemicals

Our chemical management system and Restricted Substance List (RSL) ensure we are in full compliance with all relevant chemical-related regulations. These cover our own operations and our Tier 1 suppliers, who cascade relevant requirements to their sub-suppliers. During FY24, we continued with our ongoing RSL testing programme for components and finished products, as well as relevant certification reviews.

We also require Tier 1 and Key Tier 2 suppliers to sign our General Material Requirement Policy (GMRP) to ensure the inputs they supply comply with relevant product safety legislation, among other requirements. We review this policy, which is aligned with the regulatory requirements of our key regions, on an annual basis.

Water

A key impact area for water management across our value chain takes place at the tannery-level (including water use and wastewater emissions). We require Tier 1 suppliers to only use leather from Leather Working Group (LWG)-certified tanneries in our products. This means the tanneries we source leather from are compliant with the LWG audit protocol, which requires tanneries to manage their water consumption responsibly and is aligned with the Zero Discharge of Hazardous Chemicals (ZDHC)² requirements.

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

➔ SEE P64 FOR MORE INFORMATION ON HOW WE RESPONSIBLY MANAGE OUR SUPPLY CHAIN

FOCUS

Developing our supplier environmental certification standard

Environmental certification is a mechanism which will help us monitor and systematically improve our suppliers' environmental performance. In order to achieve this, and following an internal review of needs, we are seeking to implement a tool to monitor and manage environmental impacts across our Tier 1 suppliers.

It will support us with the collection and verification of data, as well as support the implementation of continuous improvement plans to enable progress towards our environmental commitments. We are currently reviewing potential solutions.

COMMITMENTS SUPPORTED:

- Environmental certification standard to all Tier 1 suppliers by 2025

WHAT'S NEXT?

Next, our areas of focus are to progress with selection of an environmental measurement tool for our Tier 1 suppliers and investigate product recycling partners in APAC.

2. ZDHC is dedicated to reducing the apparel and footwear industry's chemical footprint through the implementation of the ZDHC MRSL, a list of restricted substances.

NET-ZERO

We have made iconic, timeless and durable footwear for more than six decades. But we are determined to keep moving forward. This is why we are developing new materials, while working to reduce the environmental impacts of our existing materials. We are also developing profitable repair, resale and end-of-life solutions for our products. These efforts are helping us move towards our long-term vision of a regenerative, circular product lifecycle which also supports our efforts to reach Net-Zero.

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 to come 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 P57, 60 AND 61

PROGRESS HIGHLIGHTS

LWG LEATHER

Sourced 100% Leather Working Group leather for AW24

RECYCLED PACKAGING

Switched to Forest Stewardship Council (FSC) recycled cardboard for our core shoe boxes

RECLAIMED LEATHER

Launched footwear made from reclaimed leather offcuts

RESALE

Launched our resale initiative in the USA

REPAIR

Launched our direct-to-consumer authorised repair service in the UK

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. This is why we focus on sourcing more sustainable materials that are:

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

We are actively sourcing leather that meets our traceability and environmental standards and are developing regenerative leather supply options. We are also exploring more sustainable options for our outsoles and other componentry, without ever compromising on durability.

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 P64 FOR MORE INFORMATION ON HOW WE RESPONSIBLY MANAGE OUR SUPPLY CHAIN

WHAT WE'RE DOING...

We are working to reduce the environmental impacts of our existing materials as well as researching and developing innovative, lower-impact alternatives. We are guided in these efforts by our DRP Sustainable Materials Criteria¹. In FY24, we also began the rollout of our new Product Lifecycle Management (PLM) system to help deliver enhanced visibility across our product lifecycle.

Bringing more sustainable materials to market represents our most significant opportunity to optimise our carbon reduction efforts and achieve our Net-Zero by FY40 target.

LEATHER

We recognise the need to continue adapting the ways in which we source and use leather, as we work towards our sustainable material commitments. We are particularly focused on enhancing leather traceability, so we can ensure our leather comes from deforestation-free and regenerative sources. This includes a focus on reducing our leather-related carbon emissions and on identifying lower carbon alternatives in line with our Net-Zero ambitions. Key to these efforts is our active participation in the Leather Working Group (LWG).

Enhancing leather traceability

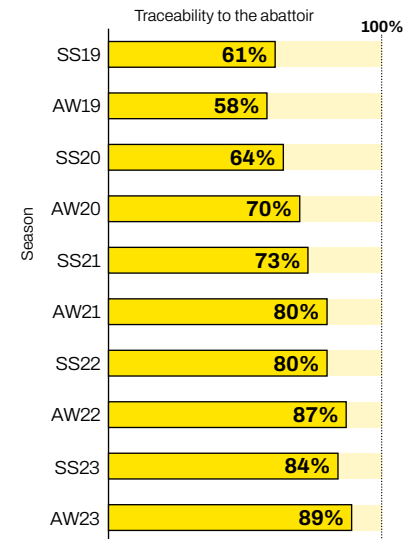
Being able to trace where our leather comes from is an essential first step for ensuring it is not associated with deforestation or other negative environmental, social and animal welfare impacts.

The leather supply chain is complex and the hides used for the leather we source come from the food industry. We continue to work towards our commitment to achieve 100% traceability back to the abattoir for all our leather by the end of 2024.

In AW23, 89% of our upper leather was traceable back to the abattoir (AW22: 87%). To reach our target, we will be engaging an expert third party to undertake a detailed mapping of all abattoirs in our leather supply chain. We are confident this exercise will significantly close the remaining gap in our target.

We will also continue to engage with our tannery partners to support the ongoing improvement of their own reporting processes. Our longer term aim is to achieve traceability back to the farm. This is a more complex task and we continue to explore scalable solutions to this challenge.

Traceability to the abattoir for leather purchases (%)



KPI

In progress ↗

89%

of our leather is traceable back to the abattoir (AW23)

COMMITMENTS SUPPORTED:

- 100% leather traceability for all countries by 2024

1. Our DRP Sustainable Materials Criteria 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.

Supporting regenerative agriculture

Regenerative agriculture is a holistic set of farming practices that seek to have a lower, or even positive, environmental impact. They can be used to improve soil health, ecosystems and biodiversity which can all alleviate climate change.

We have committed to 100% of the natural materials in our products coming from regenerative agriculture by 2040. As part of these efforts, in FY24, we continued to explore leather supplies which support the principles of regenerative farming. We are currently investigating a leather supply with traceability back to farms that are managed using ‘preferred agricultural practices’. The ‘preferred agricultural practices’ applied by the farms are aligned with select regenerative agricultural practices such as rotational grazing and enhanced animal welfare. This marks a small step towards our ambitions of farm-level traceability and supporting more sustainable agricultural practices in our supply chain. We are currently selecting an external specialist to verify these certifications, as well as the chain of custody. We will review key lessons learned to inform next steps.

Reducing the impacts of leather processing

We source all our leather from LWG certified tanneries. Tanneries with LWG certification have responsible environmental management practices in place and comply with LWG environmental standards for energy use, water, chemicals and waste management¹.

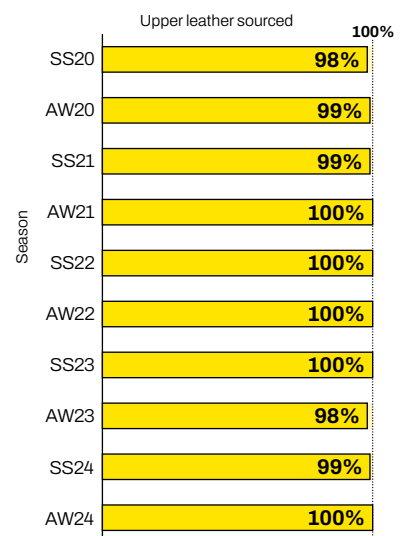
For the AW24 season, 100% of our upper leather came from LWG certified tanneries (78% Gold, 21% Silver, 1% Audited). Following the expiration of LWG certification for one of our tanneries in AW23, sourcing was relocated to a certified facility. We are continuing to work with this particular tannery partner to ensure this situation is resolved for the long term. All other leather we use (i.e. lining leather, leather goods, leather laces and footbeds) also continues to come from LWG certified tanneries. We are proud to source exclusively from LWG certified tanneries which helps ensure we minimise negative impacts associated with the leather processing carried out in our supply chain.

Exploring leather alternatives

Leather will continue to be an important upper material for us in the future. Nonetheless, we are also focused on developing lower carbon alternatives to support the achievement of our long-term Net-Zero and sustainable material commitments.

March 2024 saw the launch of our first products made from reclaimed leather, which uses re-engineered leather waste. In FY24, we also advanced work on bio-based vegan materials. During FY24, vegan upper materials in review included wearer trials and further enhancements to a bio-based upper material originating from mycelium and investigation of a bio-based plastic material that uses plant-based ingredients originating from corn.

Upper leather sourced from LWG certified tanneries (%)



FOCUS

Addressing deforestation in the leather supply chain and beyond

In November 2023, we commenced the rollout of a Zero Deforestation Implementation Plan to support the enhanced assessment and mitigation of deforestation risks in our leather supply chain. This was developed with support from external specialists, including the LWG and the World Wide Fund for Nature (WWF), and developed alongside other LWG member brands.

The Plan includes concrete measures and guidance in relation to deforestation policy development, traceability standards, data collection and assurance, supplier engagement and capacity building, and monitoring and reporting, among other areas. In addition, the third-party mapping of our leather supply chain will provide more granular deforestation risk mapping based on abattoir location.

COMMITMENTS SUPPORTED:

- 100% leather traceability for all countries by 2024
- Zero deforestation by 2025
- Net-Zero by FY40

KPI

Achieved ✓

100%

of our upper leather for AW24 is from LWG certified tanneries. In addition, all other leather we use, including linings, leather goods, laces and footbeds, now comes from LWG certified tanneries.

COMMITMENTS SUPPORTED:

- 100% upper leather from LWG tanneries by 2023

1. For more information on the LWG go to www.leatherworkinggroup.com.

FOCUS

Trialling Genix Nappa to develop lower impact footwear

In March 2024, we launched our first products made from reclaimed leather. Genix Nappa is an innovative and durable upper material made from re-engineered leather offcuts. The trial is based on a limited volume of boots and shoes available across our Americas, EMEA and APAC regions. Prior to the launch, we carried out extensive pre-production testing and trials to ensure the material met our high standards including our DRP Criteria.

Half of the total content of Genix Nappa is reclaimed leather. The remaining content is made from a virgin nylon core which supports the material's durability and a water-based polyurethane coating to improve performance and provide the finish. The reclaimed leather is from pre-consumer leather waste (leather offcuts) from the tanning process that would otherwise be sent to landfill. The material is made using a process which separates the leather

fibres before re-entangling them with the nylon core to produce a roll of material made from reclaimed leather.

The use of Genix Nappa not only helps to limit leather waste, but also reduces some of the carbon emissions associated with the production of new leather products. The Lifecycle Assessment (LCA) for a similar material from the same supplier indicates carbon emissions of around a third of those associated with conventional bovine leather. We are currently working with the supplier to develop a specific LCA for Genix Nappa.

Next, we will gather consumer feedback and continue to work with the supplier to further enhance the sustainability of the material. This includes a focus on enhancing circularity by exploring the use of finished leather waste from our Tier 1 suppliers to create materials made from reclaimed leather, similar to Genix Nappa.



Watch the video on how reclaimed leather is made



COMMITMENTS SUPPORTED:

- Minimise waste and ensure zero waste to landfill across the full value chain by 2028
- 100% of footwear made from sustainable materials by 2040
- Net-Zero by FY40

PVC

The majority of our outsoles are made using PVC, a hard-wearing and long-lasting material. The production process for our PVC outsoles creates minimal volumes of post-industrial waste. Its recyclable nature means that post-production industrial PVC waste can be blended back into the production process for our outsoles (see page 55 for more on outsole recycling).






Exploring bio-based alternatives

We recognise the need to develop lower-carbon, bio-based alternatives to PVC because its creation requires the use of fossil fuels and chemicals. This is why we have committed to developing a sustainable alternative outsole by 2035.

In FY24, we undertook further testing of a bio-based outsole alternative to ensure that it meets our aesthetic and performance standards, including our DRP Criteria. Following positive results, we now plan to trial the material in products.

Improving the sustainability of our components

We continue to integrate recycled content rather than virgin materials into our components, wherever possible. As a result of these ongoing efforts, we now have:

	100% recycled content in luxe faux fur		20% recycled polyester content in laces
	100% recycled polyester content in all standard heel loops		100% recycled polyester content in cushioned insoles
	100% organic cotton in socks		80% recycled polyester in metallic heel loops

PACKAGING

WHY IT MATTERS...

Most of our packaging is used in our supply chain to make sure our products reach their destination undamaged. It is one of our key areas of resource use and represents significant opportunities to reduce our use of materials and implement responsible sourcing. This is why we focus on:

- Reducing the packaging we use
- Substituting existing packaging with recycled and/or more sustainable alternatives
- Ensuring our packaging can also be recycled

OUR COMMITMENTS: Packaging

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

WHAT WE'RE DOING...

OPTIMISING AND MINIMISING OUR PACKAGING

We continue to optimise and minimise our packaging where possible, including through the removal of non-recyclable and difficult to recycle materials. Our Packaging Guiding Principles provide a structured framework as we work towards our commitment for 100% of packaging to come from recycled or other sustainably sourced materials by 2028.

Packaging improvements during FY24 included:

- The rollout of Forest Stewardship Certified (FSC) recycled cardboard across our standard shoe boxes, swing tags and the majority of our large cardboard shipping boxes.
- Phase out of non-recyclable coated shoe boxes for all our collaboration projects, which had represented one of our most significant areas of non-recyclable packaging.
- The continued phased removal of plastic foam inserts across ranges that do not require them for protective purposes. We have removed these inserts from 76.5% of our SS24 footwear ranges by volume

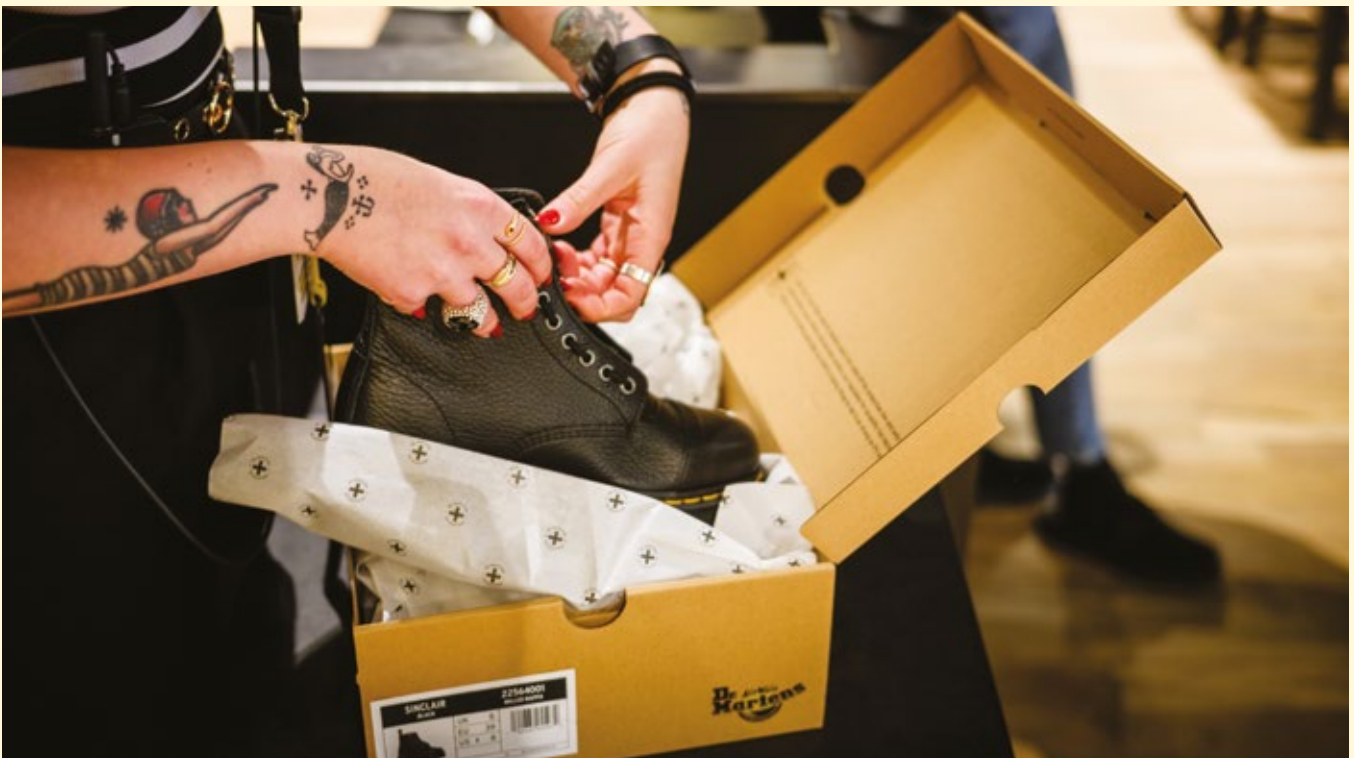
(up from 35% in AW23). We are investigating a sustainable alternative for products that do require protection, including the potential use of FSC recycled cardboard offcuts from our shoe boxes.

In FY24, we also started the risk-based mapping of our supply chain for wood pulp, which is used in some of our packaging components. This forms part of our broader efforts to ensure that none of our products, packaging or store components are associated with deforestation (page 58).

WHAT'S NEXT?

We will continue to focus on testing, developing and including more sustainable materials across our product range and take learnings from our material innovation trials.

Another focus will be to utilise our data systems to enable annual quantitative progress reports against our sustainable materials commitments.



LIFECYCLE

WHY IT MATTERS...

Our footwear is versatile, timeless in its design and durable. By promoting care and offering authorised repair, we help our consumers extend the life of their footwear even further. Another key part of our strategy is keeping our products in circulation through resale. But even Dr. Martens boots will reach the end of their useable life at some point. When this happens, we want to make sure there are sustainable end-of-life solutions available such as recycling. These efforts are 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...

DESIGNING FOOTWEAR THAT LASTS

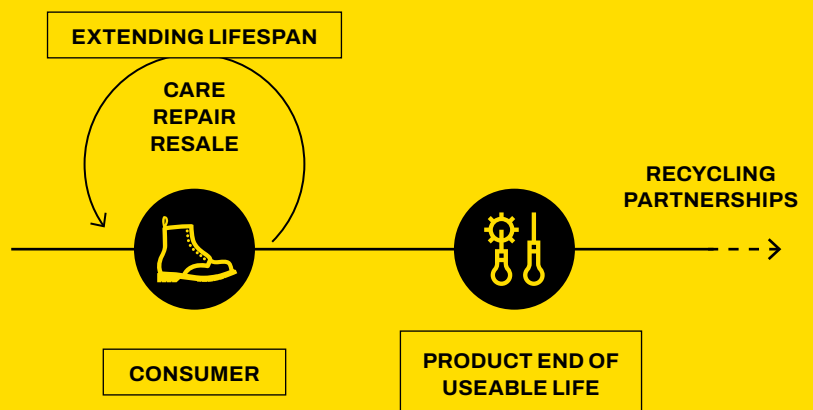
From the very start of the product lifecycle, we want our footwear to be designed with sustainability in mind. In FY24, we rolled out our sustainable design training programme, which is mandatory for our design and product teams. The programme is focused on embedding the core principles behind our product: timelessness, durability, functionality and sustainable material selection.

It also provides practical guidance on how to apply these principles across our product creation processes as we seek to reduce the environmental impact of our products.

MAXIMISING THE USEABLE LIFE OF OUR FOOTWEAR

In FY24, we launched our direct-to-consumer, authorised repair service in the UK. We also help our wearers to maximise the life of their footwear by sharing guidance on how to properly care for them through our marketing, sales and social media channels.

Our approach to extending the useable life of our products



FOCUS

Extending our product lifespan with repair

In October 2023, we launched an authorised repair service in the UK, enabling our consumers to extend the life of their Dr. Martens footwear. They can also choose to customise their products with a choice of welts, stitches and outsole colours and styles, supporting our ethos of individual expression. The service is run in partnership with The Boot Repair Company, who we also partner with on our UK resale initiative. The Boot Repair Company are a Leeds-based firm with 120 years' experience of expertly repairing and restoring boots, shoes and leather goods. Consumers can visit drmartensrepairs.com to choose and

pay for their repairs. They then send their items to The Boot Repair Company's facility in Leeds, where they are restored, refreshed and then returned.

All repairs and customisations are carried out using the same machinery, outsoles and componentry that go into making Dr. Martens products. The Boot Repair team participated in extensive training at our Made In England factory, where we provided detailed guidance on our production methods and principles.

Since launching in October 2023, the repair service has repaired over 1,700 pairs of Dr. Martens boots and shoes, with positive customer feedback received across rating sites and social media.

We are working to expand the number of styles which can be repaired through the scheme and continue to explore options to expand the service to our consumers in other markets.

COMMITMENTS SUPPORTED:

- Offer options and guidance for wearers to maximise useable life by 2025

FOCUS

Giving footwear a second life through resale

In FY24, we continued to build on the success of our resale initiative in the UK through the launch of ReWair, our new resale website in the USA.

We believe that branded resale can make a significant contribution towards the achievement of our long-term sustainability commitments. This includes having sustainable end-of-life options for all of our products and achieving Net-Zero by FY40. In FY24, we developed a model in partnership with external experts to assess the carbon impact of our repair and resale business models. The model calculated that a pair sold through our resale channel contributes 89% less GHG emissions than a pair bought new.

Branded resale also presents a significant commercial opportunity and is a key initiative under the direct-to-consumer pillar of our DOCS business strategy. The second-hand footwear market is growing rapidly and feedback from our consumers shows that many of them want to purchase authentic, pre-worn Dr. Martens footwear. In this context, branded resale provides a powerful platform to attract new consumers, build brand loyalty and generate new revenue streams. We are also proud to add value to the second-hand market by repairing, sanitising and authenticating products before they are resold.

USA

In March 2024, we launched ReWair, our USA resale platform. Through ReWair, returned, damaged or defective Dr. Martens footwear and bags are authenticated, inspected, cleaned and restored by our expert third-party partner. Consumers are able to purchase ReWair products via the Dr. Martens

ReWair online store. Products are then securely shipped to consumers in FSC certified boxes which are printed with water-based inks. As part of ReWair, we are also trialling trade-in at two stores, where consumers can exchange their worn Dr. Martens products for a voucher to put towards their next purchase. Returned products will be repaired and restored for resale via ReWair or recycled if this is not possible. ReWair is currently in an early stage rollout and will undergo periodic review to take learnings as we continue with our aim to build profitable repair and resale offerings.

UK

We continue to offer resale in partnership with The Boot Repair Company and Depop in the UK. Since its launch in April 2022, the online shop remains one of the most popular shops on Depop globally.

COMMITMENTS SUPPORTED:

- Offer options and guidance for wearers to maximise useable life by 2025
- 100% of products sold have a sustainable end-of-life option by 2040
- Net-Zero by FY40



us.rewair.drmartens.com

SUPPORTING END-OF-LIFE RECYCLING

Eventually all our footwear will reach the end of its life. We work with external partners in our UK, EMEA and Americas regions to recycle footwear that cannot be repaired and resold and is not fit for donation. The outputs from these processes are used to create new

materials and products. Thanks to these partnerships, products that are returned to Dr. Martens in the UK, EMEA and Americas that can't be repaired, resold or donated are instead recycled. Our next focus is to investigate recycling options across our APAC region.

FOCUS

Taking steps towards circularity

In FY24 we began working with our European recycling partner to investigate innovation opportunities using segregated waste materials from Dr. Martens products. This included an ongoing trial that uses finished leather waste from recycled Dr. Martens to make a reclaimed leather material, similar to Genix Nappa (see page 59).

We are also working with the recycling partner to investigate the potential creation of new PVC outsoles using recycled outsoles.

Our partner also continues to recycle products which can't be repaired or resold into shelving and surfacing which is being used in some of our showrooms, stores and future store concepts.

COMMITMENTS SUPPORTED:

- All products align to sustainable design criteria by 2028
- 100% of products sold have sustainable end-of-life option by 2040



WHAT'S NEXT?

Next, we plan to continue to focus on building our resale and repair recommerce initiatives in the UK, the USA and beyond. We will also explore the use of more circular materials, including the potential use of leather and PVC from non-repairable Dr. Martens products to make new componentry.



WE ARE INVESTING IN OUR PEOPLE

We invest in our people and create an environment in which they have the opportunity to develop their full potential.

This is reflected in our focus on enhancing our end-to-end employee experience, engagement and culture. We're also committed to creating a workplace where our people feel included, accepted and empowered through our diversity, equity and inclusion (DE&I) strategy. Our approach is underpinned by our respect for human rights, including those of the people working in our supply chain. We are also proud to champion and support important social justice issues around the world through the Dr. Martens Foundation.

FOCUS AREAS AND COMMITMENTS

The following commitments are to be achieved by 2027:

Diversity, equity and inclusion 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

➔ FURTHER INFORMATION ON HOW WE APPROACH HUMAN RIGHTS AND COMMUNITY, THE OTHER TWO FOCUS AREAS OF PEOPLE, CAN BE FOUND ON PAGES 70 AND 71

PROGRESS HIGHLIGHTS

RESPONSIBLE PURCHASING

Developed and launched our first Responsible Purchasing Practices Charter

100%

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

10%PTS

increase in women in senior leadership roles since FY23 (FY23: 36%, FY24: 46%)

RELATED UN SDGS



➔ TO FIND OUT MORE, SEE OUR SDG MAPPING EXERCISE AT: [DRMARTENSPLC.COM](https://www.drmartensplc.com)

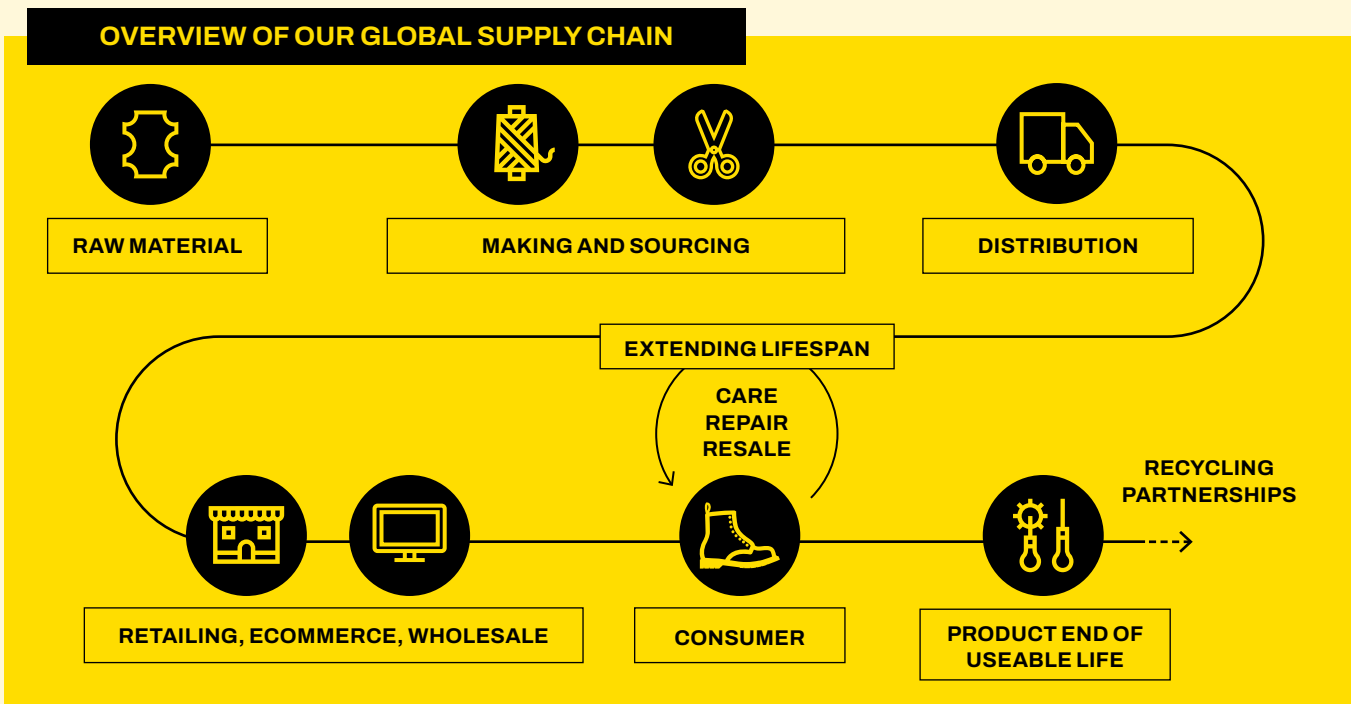
RESPONSIBLY MANAGING OUR SUPPLY CHAIN

OUR GLOBAL SUPPLY CHAIN

We are committed to maintaining positive, collaborative partnerships with our third-party suppliers. This approach underpins our ability to achieve the highest levels of quality and sustainability. Our suppliers include:

- Tier 1 suppliers: product manufacturers, which are primarily based in Asia¹.
- Key Tier 2 suppliers: suppliers of strategic components such as tanneries.
- Tier 2 suppliers: suppliers of other componentry.

For further information on how we manage our supply chain, see page 55, as well as our latest Modern Slavery Statement which can be found on our corporate website.



OUR POLICIES

Our supplier requirements are set out in our Supplier Code of Conduct. This is based on the Ethical Trade Initiative Base Code and the conventions of the International Labour Organization. The Supplier Code of Conduct integrates a range of requirements around forced labour, child labour, subcontracting, homeworking and modern slavery. Similarly, suppliers are subject to our Supplier Environmental Standard.

These documents are integrated into the Master Supplier Agreements we maintain with our Tier 1 suppliers, along with the following policies, which set out additional supplier requirements:

- Animal Derived Materials Policy
- Anti-Bribery and Corruption Policy
- General Materials Requirement Policy
- Migrant Worker Policy²
- Needle Policy

Similarly, we have contractual provisions that require our agents, distributors and franchisees to comply with these policies.

HOW WE ENGAGE OUR SUPPLIERS

Our CSR teams are based in key sourcing locations, where they work directly with new and existing Tier 1 and Key Tier 2 suppliers and their factories. This helps them work collaboratively, transparently and advocates for supplier ownership. It also facilitates the quick identification and remediation of any potential issues, including the completion of corrective action plans. Suppliers also attend Tier 1 supplier conferences, where we share information and learnings, and promote collaborative communication.

HOW WE MONITOR PERFORMANCE

We approve new factories and monitor their performance through our CSR monitoring programme. Independent, third-party CSR audits are conducted before production begins at new Tier 1 and selected Key Tier 2 supplier factories. In addition, we carry out CSR monitoring of existing Tier 1 and selected Tier 2 suppliers.

Audits are conducted at our Tier 1 footwear suppliers at least annually. We have also expanded our CSR monitoring programme to our Key Tier 2 suppliers. These included tanneries and PVC granulate suppliers.

For Key Tier 2 suppliers that are not currently subject to the programme, we require recognised social audit reports³ that have been carried out within the last 12 months.

1. Our Tier 1 factory list is shared on our website and is updated every six months.
 2. Based on the Dhaka Principles developed by the Institute for Human Rights and Business, and broader international best practice.
 3. Sedex, BSCI and SA8000, WRAP and SCLP.

We use the Workplace Conditions Assessment (WCA) on-site audit protocol for both our auditing and monitoring. This assesses risks around:

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

Audits are conducted on a semi-announced basis. Suppliers are given a window of 30 days during which monitoring audits could take place. The frequency of follow-up audits is determined by each supplier’s audit rating. If any non-conformances are identified, we work with the supplier to develop corrective action plans and carry out follow-up checks to ensure these have been implemented in practice. In the rare event that a supplier fails in this regard, we may terminate the relationship.

Third-party due diligence

We also apply a due diligence process when entering into new supplier relationships, including both a Vendor Risk Assessment and compliance screening. This process identifies supplier risks, including ethical concerns and regulatory non-compliances. The stringency of the process will depend on factors such as location, activities and contract value. In addition, we are planning to explicitly integrate human rights into the process as part of our broader efforts to further enhance our management efforts.

WHAT’S NEXT?

Next, we plan to develop training to roll out our Responsible Purchasing Practices Charter to our people and suppliers.

Responsible Purchasing Practices Charter

In FY24, we worked with third-party experts to develop the first iteration of our Responsible Purchasing Practices Charter. This was developed following a review of current practices, processes and policies, as well as both internal and supplier interviews. During the engagement process, suppliers indicated that:

- Dr. Martens is clear and consistent in its communications, and there is a good sense of trust between the Company and its suppliers.
- Orders are rarely changed after the purchase order is placed, and where this does happen, suppliers can generally negotiate different lead times.
- Suppliers feel that, while price is important for Dr. Martens, its considerations extend to other issues – including quality and sustainability (which was not the case for all their customers).

Dr. Martens endeavours to interact and treat our material, product and service suppliers according to the following principles:

1. RELATIONSHIPS

We invest in our suppliers, and value long-term partnerships in which we can work together to improve mutual business performance.

2. PAYMENT TERMS

We operate to an agreed payment schedule.

3. PLANNING

We forecast and communicate our order requirements well ahead so that our suppliers can carefully plan for what they need.

4. FAIR LABOUR COSTING

We ensure legally compliant and competitive provision for wages and benefit.

5. TRAINING

We train all our relevant teams on what it means to purchase responsibly.

6. COMMUNICATIONS

We value transparency and understand the importance of two-way, open and honest communication.

7. SUPPLIER EXIT

We will only undertake a supplier exit after full consideration and in a responsibly managed way.

8. SUSTAINABILITY

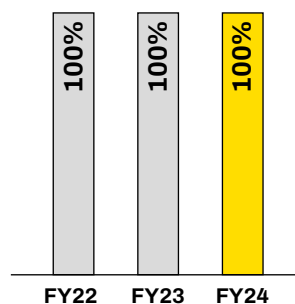
We work with our suppliers to set clear expectations around sustainability, including human rights and environmental values and commitments.

We expect our suppliers to adopt the spirit of these principles with their own suppliers.

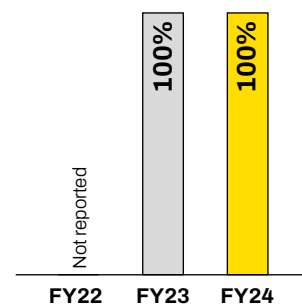
Following the development of the Charter, we now plan to embed its adoption through the development of training for our people and suppliers.

Supplier CSR audit results:

Audited Tier 1 footwear suppliers meeting our high performance standards (i.e. scores of 75% or more¹) in CSR audits



Audited Key Tier 2 suppliers meeting our high performance standards (i.e. scores of 70%¹ or more) in CSR audits



1. In line with Intertek Workplace Conditions Assessment scoring methodology.

INVESTING IN OUR PEOPLE



Defining our culture

Rebellious Self Expression defines what is unique about our brand and our culture. This is the thread that connects all of us within the Company, our products and our customers. It is supported by three core values:



BE YOURSELF



ACT COURAGEOUSLY



SHOW YOU CARE

In FY24, we focused on the consistent communication of our values and on ensuring they are embedded across the employee journey. This included the active rollout of our values by our senior leaders, who have been helping their teams understand what the values mean to them. These conversations have been supported through the use of our Rebellious Self Expression training toolkit (launched in 2023), which we have shared with our teams to run sessions themselves.

Listening and engagement

We believe it is important to listen to and communicate with our people, in a way that is constructive, meaningful and improves the employee experience. This is demonstrated through our annual global engagement survey, a key part of our wider listening strategy.

Throughout FY24, we continued our NED Listening sessions led by our Employee Representative Non-Executive Director, Robyn Perriss. Further details on these workshop-based sessions can be found on page 105. In addition to our annual Engagement and Inclusion Survey, we also launched real-time surveys to check-in on how our people feel about their working lives. These enabled continuous listening in a meaningful and actionable way, driving leadership accountability with more regular interactions.

As a result of these discussions and broader employee feedback, we have:

- Implemented a range of new leadership and employee development measures.
- Opened up new online communication channels, including team-specific channels.

- Awarded all employees an additional day of annual leave within FY24 in the form of a Wellbeing Day linked to our value of 'Be Yourself'.
- Increased the number of social events to encourage greater collaboration.

Feedback and investing in leadership

We actively support our employees as they pursue their own long-term development and ambitions, including through the provision of resources, guidance and opportunities. We do this through:

- The LEAD experience, offered to all of our Global Management Team (GMT)¹ leaders in FY24, and incorporating 360° feedback and strength-based assessments along with leadership coaching.
- Investment in training our new leaders, with a focus on leadership development, personal effectiveness, challenging conversations and feedback.

In FY24, we embarked upon a project to extend our leadership framework to apply to all roles across the business. Through a programme of internal and external research we developed a behavioural framework which encompasses eight factors which enable

success at Dr. Martens. For each success factor we have articulated specific behavioural expectations for our different career levels across the business. The framework will be rolled out to the business in FY25, and will act as the foundation for career development, goal setting, feedback conversations and talent acquisition practices.

Other key initiatives to support our employees during FY24 included:

- A global programme to ensure that employees have set performance and development goals within our online development platform. This allows our people to have greater clarity on where to focus and how their work links to our DOCS strategy and values.
- The rollout of our Retail Management programme in our EMEA and Americas regions to help ensure our store managers and assistant managers develop the leadership skills needed in the store environment.
- The launch of our Talent Hub, which provides hiring managers with clear and consistent guidance to assist them during the talent acquisition process.

1. Direct reports to our Global Leadership Team (GLT).

FOCUS

Listening to and engaging our people

INSIGHTS FROM OUR 2024 ENGAGEMENT AND INCLUSION SURVEY

We are committed to building an engaging culture where our people can thrive. We carry out an engagement survey every year to understand the lived experience of our people across Dr. Martens. Our March 2024 Engagement and Inclusion Survey, to which 92% (3,158) of our people responded, 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.

5 PERFORMANCE AREAS:

Accepted	4.24
Included	4.18
Equipped	4.01
Valued	4.00
Growing	3.60
Inspired	3.59

Accepted: Agree that Dr. Martens encourages diversity

Included: Feel you can express yourself at work

Equipped: Feel empowered and set up for success

Valued: Feel that your voice and contribution matters

Growing: Keep evolving in your work and as a person

Inspired: Inspired to be part of Dr. Martens' future

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.

We recognise that we need to build momentum and improve how people feel about Inspired and opportunities to Grow at Dr. Martens and will continue our efforts in this regard into the year ahead, with the launch of a behavioural framework for all our people in FY25 (page 66).

Our overall engagement score was 3.94. This was a slight decrease on last year (3.98) and has meant that we have missed our Executive Directors' bonus target. For more information, see page 127.

Supporting wellbeing

Our approach to looking after our people looks at all material aspects of their mental, physical, social and financial wellbeing. This is demonstrated through initiatives such as the maintenance of our free and confidential Employee Assistance Programme, voluntary Mental Health Network, learning and development programmes, wellbeing events, provision of free healthy office snacks and annual volunteering allowance.

In FY24, we took the decision to increase our annual leave provision in the APAC region to bring it in line with our Group average, changed our holiday arrangements in the UK to make it easier for people to use their full annual entitlement and continued the global rollout of our share scheme.



DIVERSITY, EQUITY AND INCLUSION

WHY IT MATTERS...

'Be Yourself' is one of our core values. Diversity, equity and inclusion (DE&I) helps everyone who works for us feel included, accepted and empowered. It not only supports the development of passionate, creative and resilient teams. It also ensures that every aspect of our brand reflects our commitment to DE&I.

OUR COMMITMENTS:

The following commitments are to be achieved by 2027:

Ethnicity

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

Gender¹

- 50% women in senior leadership roles (GLT and direct reports)
- Increase non-binary colleagues to 4% globally

In addition, we also aim to improve accessibility to our stores, website and offices for consumers and employees living with disabilities.

1. We have removed the target to increase male representation across our retail stores to 40% because we believe it no longer aligns with our DE&I strategy. We remain focused on progressing towards our other DE&I targets and commitments.

WHAT WE'RE DOING...

AN EQUITABLE, MORE INCLUSIVE WORKPLACE

We make ongoing efforts to ensure our people reflect the societies in which we work. But we want to go further. We are inspired by our current and potential diversity and are working to ensure employees experience all the benefits of a diverse, equitable and inclusive culture. In FY24, we recruited a new Global Head of DE&I who will lead our efforts in this space.

During the year, we focused on the following areas that collectively support progress towards our commitments to ethnicity, gender and disability:

- **Training, culture and leadership:** This included hosting training workshops to help our Made In England factory leaders and staff build their knowledge around DE&I and drive empathy and understanding within this multi-generational workforce. The programme focused on identifying and addressing both conscious and unconscious bias, promoting inclusive language and building an inclusive mindset. Following a DE&I listening session with store managers in the USA, we also enhanced our recruitment systems.
- **Global DE&I recruitment audit:** We also commissioned an independent external review to improve DE&I in our global recruitment practices. This resulted in the development of recommendations focused on training for hiring managers, as well as improved

data gathering to track candidates through the recruitment process. We plan to implement the recommendations across our regions.

- **Data collection and monitoring:** We implemented the collection of employee-declared diversity information via a 'Self-ID' programme to enhance our data, inform our DE&I initiatives and track our progress towards our targets. Our next focus is to further improve the self-declared information in regions where uptake has been slower.
- **Inclusive practices:** We also started work to identify opportunities to improve accessibility for consumers. We conducted a DE&I listening session with store managers in the USA which identified areas of improvement including expanding unisex sizing and developing guidelines for more inclusive visual merchandising.

In addition, we continued to participate in a range of related external initiatives, including:

- Change the Race Ratio
- Diversity in Retail
- Diversity and Inclusion in Asia Network

Gender diversity at Dr. Martens

➔ **GENDER DIVERSITY OF DIRECTORS** SEE P91

➔ **GENDER DIVERSITY OF SENIOR MANAGERS** SEE P90

➔ **GENDER DIVERSITY OF GLOBAL WORKFORCE** SEE P113

HOW WE'RE DOING

Commitment:

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

FY24

23%

(FY23: 22%)

Commitment:

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

FY24

46%

(FY23: 36%)

Commitment:

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

FY24

3.3%

(FY23: 6%)



Building awareness and allyship

At Dr. Martens we encourage open conversations about the topics that matter to us. Part of the way we do this is through hosting internal and external events that build foundational levels of awareness among our people, building their awareness, promoting allyship and encouraging critical thinking.

- **Ethnicity:** We celebrated Black History Month with our people in October 2023 across our UK, EMEA and APAC regions, and in the Americas in February 2024. Events included panel discussions, activations and talks from charities including from The Stephen Lawrence Day Foundation (a beneficiary of a Dr. Martens Foundation grant).
- **Gender:** We want to offer a workplace that works for all genders. This means providing equal opportunities, an inclusive culture, a sustainable work-life balance and safe working conditions. In FY24, we continued our work with non-profit,

Catalyst, to make sure our workplace is one in which women can thrive and achieve their full potential. In March 2024 we celebrated International Women’s Day with our people internally through panel discussions, lunch and learn sessions and other resources and events.

- **LGBTQIA+:** We are a proud supporter of the LGBTQIA+ community, which is well represented within our workforce, accounting for approximately a third of our people. It is a community that has helped define what Dr. Martens is today and will continue to help shape our future. In addition to our ongoing Pride events and activities, in FY24 we supported the 2023 Gay Games in Hong Kong, through special offers for athletes and volunteers. By supporting events of this nature, we again hope to encourage our people to think about, understand and help address some of the challenges faced by LGBTQIA+ individuals, both inside and outside of the workplace. OutRight, a charity which holds a consultative status

at the United Nations Economic and Social Council, is one of the flagship partners of the Dr. Martens Foundation and is helping provide awareness and volunteering opportunities in our employee population.

- **Disability:** We improved accessibility to our internal intranet by integrating an accessibility widget. This allows Dr. Martens employees who have various disabilities to navigate this critical internal communications channel.

WHAT’S NEXT?

Next year we plan to deliver inclusive leadership training to enable leaders to cascade their knowledge around DE&I, improve our collection of DE&I data and continue to build critical thinking around DE&I across the business.

HUMAN RIGHTS

WHY IT MATTERS...

We are committed to respecting human rights, not only in our own workforce, but also in our supply chain. We implement this commitment by engaging our suppliers, raising their awareness and monitoring their performance.

WHAT WE'RE DOING...

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

When it comes to our own employees, we offer an independent, confidential hotline that people can use to raise human rights concerns and grievances if they arise. Issues are reviewed by the Global Compliance Team and are escalated via the Audit and Risk Committee as appropriate. Topics raised via the hotline in FY24 included Discrimination, Sexual Harassment, Employee Relations and Workplace Violence/Threats.

Our suppliers and their workforce are important to us, therefore our scope of understanding human rights risks and opportunities extends to our supply chain partners.

CSR monitoring programme

A key mechanism we use to manage human rights risks within our supply chain is through our CSR monitoring programme. The programme is applied when we onboard Tier 1 and certain Key Tier 2 suppliers, which are then subject to ongoing audits to ensure their compliance with relevant labour laws, industry standards and our own policies. This includes our Supplier Code of Conduct, which 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 MORE INFORMATION ON **OUR SUPPLIER CSR AUDITS**, SEE PAGE 64.

Anti-modern slavery programme

We expect high standards of each other and our supply partners. We will never accept modern slavery in any form and we take our responsibility seriously. In FY24, we continued to raise awareness around human rights, with a particular focus on modern slavery. We include anti-modern slavery and forced labour clauses within

our contractual agreements with suppliers. We also offer 'Forced Labour and Ethical Trade' training to all of our employees.

➔ FOR FURTHER INFORMATION ON **HOW WE ADDRESS MODERN SLAVERY RISKS IN OUR SUPPLY CHAIN**, SEE PAGE 64. IN ADDITION, **OUR FULL MODERN SLAVERY STATEMENT** CAN BE FOUND ON OUR PLC WEBSITE



WHAT'S NEXT?

Next year we plan to further integrate human rights into our third-party due diligence process. We also plan to implement a supply chain mapping tool to support higher levels of transparency and to help us identify human rights risks more effectively.

FOCUS

Human rights due diligence review

In FY24, we commissioned a third-party expert to carry out an independent human rights due diligence review. This aimed to identify the strengths and weaknesses in our current human rights programme and to provide recommendations for improvement.

The assessment was based on a review of our relevant management system documents and interviews with internal stakeholders.

The findings were then benchmarked against the proposed EU Corporate Sustainability Due Diligence Directive (CSDDD), the OECD Responsible Business Conduct Guidance, and the OECD Due Diligence Guidance for

Responsible Supply Chains in the Garment and Footwear Sector (OECD Garment and Footwear Guidance).

The assessment found we have a good foundation for our human rights programme, and performed well with respect to:

- The communication of policy commitments internally, to suppliers and to the public.
- The internal reporting of risk assessment findings to senior management.

The assessment also found we have good oversight of our product supply chain at Tier 1 and most of Tier 2 (i.e. where our existing human rights due diligence efforts are focused).

It also identified a number of areas where we could further improve our management approach. It recommended we expand the scope of our human rights programme and due diligence to capture a broader range of suppliers. As a result, we are reviewing and developing our Company policies, and working to embed human rights risk across our business interactions with all vendor types.

COMMITMENTS SUPPORTED:

- Respect for human rights

COMMUNITY

WHY IT MATTERS...

We want to play a positive role in society, both within our local communities and at a global level. This is about acting courageously and showing we care. And we want our people to feel empowered to do the same. This means giving a voice to the issues that need raising, supporting the communities who need it and providing funding to those causes that matter.



WHAT WE'RE DOING...

DELIVERING CHANGE THROUGH OUR OWN ACTIONS

We have a strong track record of supporting social justice causes. This includes a focus on anti-racism and LGBTQIA+ rights. In FY24, we built on our existing efforts by facilitating and encouraging employee volunteering, including through the organisation of team volunteering days.

We also continued to encourage our USA employees to use their paid Juneteenth holiday to volunteer in their communities. Volunteers from our Americas headquarters in Portland attended a two-day Juneteenth Oregon parade and festival.

In addition, we set up a Global Champions Network to connect and drive engagement between our employees and the Dr. Martens Foundation. Champions are tasked with:

- Amplifying the impact of the Foundation, by promoting the involvement of their colleagues with the organisations it funds and by engaging with colleagues to nominate charities for the Foundation to support
- Supporting the Foundation with research and communications and meeting regularly to identify opportunities to amplify the work further
- Participating in the grant application review process, learning new skills and better understanding the workings of charities



FOUNDATION

DELIVERING CHANGE THROUGH THE DR. MARTENS FOUNDATION

The Dr. Martens Foundation is an independent grant-making charity, which we helped establish in 2021. To date, Dr. Martens has provided £0.8m in funding to the Foundation. It champions social justice causes by addressing:

- The immediate needs of underserved communities
- The underlying, longer term drivers of injustice

The Foundation makes grants through its grassroots programme and its Right to Be programme. Its efforts are guided by its four pillars of social justice.

In addition, the Foundation has the ability to provide immediate grants to help address emergencies and disasters. In FY24, for example, it made a £150,000 emergency grant to the British Red Cross.

£1.9M

donated to 65 organisations by the Dr. Martens Foundation in FY24

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, healthcare and employment opportunities






Grassroots programme

The Grassroots programme allows our employees to nominate charities and grassroots organisations for support from the Dr. Martens Foundation. In FY24, more than £1m was awarded through this programme to 59 partners (FY23: £531,000/28 grants).

Right to Be programme

The Right to Be programme is designed to challenge the systems that perpetuate social inequities. It typically provides multi-year higher-value grants to charities that address issues such as racial injustice, gender inequality and advocating for LGBTQIA+ rights. In FY23, five organisations were chosen to receive funding of £1.9m across projects lasting approximately

two to three years. £580,000 of the funding committed was granted to the Right to Be partners during FY24. The impacts of these grants to date are detailed below. We have used the LGBTQIA+ acronym requested by each charity.

					
	The Women's Foundation	Outright International	ReBit	National Black Justice Coalition	European Network Against Racism
Project timeframe	Dec 2022 to Jan 2025	Dec 2022 to Jan 2026	Apr 2023 to May 2025	Dec 2022 to Jan 2026	Jan 2023 to Feb 2026
Location	Hong Kong	Global	Japan	USA	Europe
Focus theme	Women's empowerment	LGBTQIA+ rights	LGBTQ+ rights	LGBTQ+ Rights & Racial Justice	Racial Justice
Right to Be funding impact to date	The Dr. Martens Foundation is supporting The Women's Foundation Mentoring Programme, Male Allies and Gender Equality and Inclusion Working Group, its STEM programme for underprivileged girls and improvements to its IT infrastructure.	The Dr. Martens Foundation supports Outright's research, grantmaking and advocacy programs and campaigns to protect and advance LGBTIQ equality, including projects to promote LGBTIQ-inclusive humanitarian assistance, livelihood, and to enhance knowledge about LGBTIQ people with policymaking and philanthropic stakeholders.	The Dr. Martens Foundation is supporting ReBit to provide training for teachers and students on the needs and rights of the LGBTQ+ community. It also provides support to corporations with research, consulting services and publishing information on the needs of the LGBTQ+ community.	The Dr. Martens Foundation is funding NBJC's action hub for Black LGBTQ+ communities and organisations to engage with decision-makers to advance policy solutions. The initial funding supported NBJC to draw up a public policy agenda which ensures that the Black LGBTQ+ communities' unique needs are at its centre.	The Dr. Martens Foundation funding supports the development of a community engagement and movement-building model for anti-racism organisations. It also supports the development of academic communities and awareness raising of structural racism in Europe.

WHAT'S NEXT?

The upcoming focus for the Dr. Martens Foundation is to continue to provide funding to its partners and develop a communications plan, to better amplify the great work of

its charity partners externally. This will also give consumers an opportunity to find out more about the Dr. Martens Foundation and what it stands for.

SUSTAINABILITY GOVERNANCE

The Board has ultimate responsibility for overseeing ESG related activities across the business. This includes our sustainability strategy. As sustainability increasingly becomes central to our brand offering, sustainability will be sponsored by our newly appointed Chief Brand Officer, Ije Nwokorie, from FY25. This move will enable us to further embed our sustainability work across Dr. Martens. During FY24, sustainability topics discussed at Board meetings focused on repair, resale, innovative material trials, and engagement survey results. ESG horizon scanning reports were also prepared for the Board on a quarterly basis.

The Sustainability Committee assists the Board by providing review and direction for the sustainability strategy. The Sustainability Committee is chaired by our CEO, Kenny Wilson, and includes our COO and CPSO, plus other key functional heads. It reports directly to the Board and provides regular updates to help determine the focus and direction of the strategy.

In FY24, the Committee met on a bi-monthly basis, with relevant working groups feeding into these meetings. Our working groups are focused on the following:

- **Operations Working Group:** Ensuring high standards across our operations and supplier base, including the maintenance of strong CSR standards and the minimisation of environmental impacts
- **Materials and Packaging Working Group:** Identifying and delivering sustainability improvements across all of our products and packaging

- **Lifecycle Working Group:** Reducing the impact of our products throughout their lifecycle, from design through to end-of-life.

Our climate workstream (which is aimed at reducing and reporting our Scope 1, 2 and 3 emissions) is of a cross-functional nature and feeds into each of these working groups. In FY24, we disbanded our Sustainability Communications Working Group, to streamline interactions between our sustainability and marketing teams.

In FY24, key areas of focus for the Committee included our recently approved SBTs, the launch of our reclaimed leather product, the go-to-market process for sustainable materials, the launch of our authorised repair and resale initiatives, the outcomes of our human rights due diligence review and sustainability marketing.

In addition, our:

- Recommerce Steering Committee is responsible for advancing repair and resale opportunities and incorporating recommerce into our strategy and financial planning. It is chaired by our CFO and meets approximately every six weeks
- TCFD Steering Committee is responsible for our reporting against the framework's requirements, as well as the underlying analysis needed to inform the same including the risks and opportunities posed to our business by climate change. It includes representatives from our Finance, Sustainability and Risk teams

Policies

Our ESG policy requirements are reviewed regularly by our Legal, Compliance and Sustainability teams. Policies are developed using international standards and industry best practice. Our internal audit team provides periodic, targeted reviews of our related policies and procedures to the Audit and Risk Committee.

Key ESG policies include:

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

These are in addition to our supplier policies (page 64).

➔ **FOR FURTHER INFORMATION**
VISIT DRMARTENSPLC.COM

Risk management

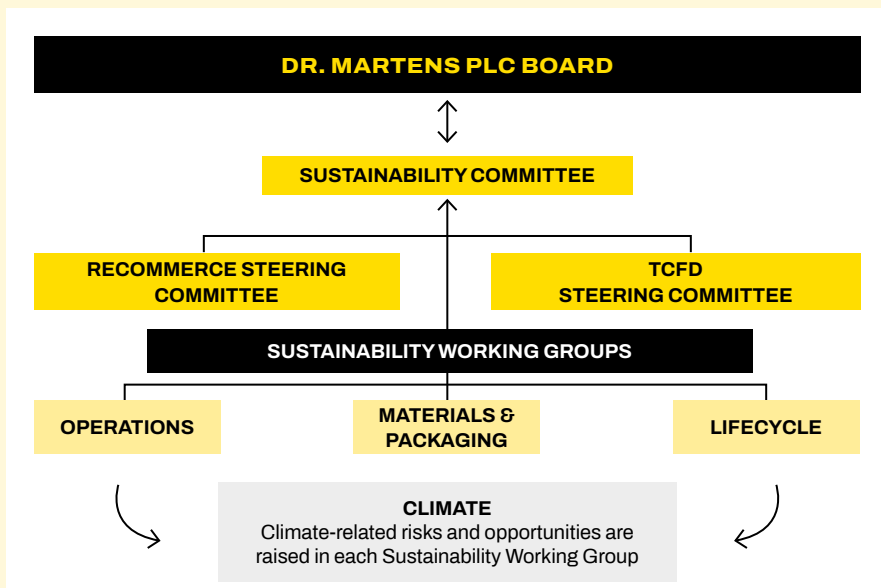
We annually assess risks related to ESG issues as part of our overall enterprise risk management approach (page 38).

Compliance and training

We use our global, online compliance training platform to deliver policies and training materials (translated in relevant languages) across all of our regions on a consistent basis. All employees are offered training on the following modules:

- Acceptable Usage
- Cybersecurity
- Data Protection and Privacy
- Diversity, Equity & Inclusion
- Forced Labour and Ethical Trade
- Financial Crime (including Anti-Bribery and Corruption)
- Speaking As One (speaking on behalf of the business)
- Health and Safety
- Sustainable Design

The platform provides targeted, supplementary training and communications where needed.



SASB REFERENCE TABLE

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

Metric	Category	Unit of Measure	Code	Response
Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1.	Quantitative	Number	CG-AA-000.A	(1) We have 27 Tier 1 supplier factories (13 Footwear, 8 Accessories, 6 Outsole). (2) For AW24 production we have 96 Tier 2 suppliers. Our supplier numbers fluctuate season to season. More information can be found on page 64.
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' sections within 'Our supply chain' on page 55.
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' sections within 'Our supply chain' on page 55.
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	(1) 100% of Tier 1 suppliers sign our Environmental Standards agreement, which includes our wastewater management and effluent treatment requirements. (2) 100% of our leather suppliers are LWG certified. 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.
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 FY24 our Tier 1 Made In England manufacturing sites maintained ISO 14001 certification. 30% of our Tier 1 footwear supplier factories have declared they have completed the Higg FEM assessment. 15% have declared they have ISO 14001 (including our Made In England factory). (2) 100% of the tanneries we source from are certified by the Leather Working Group, which is the leading environmental certification for tanneries globally. Environmental certification is not currently being monitored across all of our Tier 2 suppliers, but we will endeavour to do so in the future.
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	(1) 100% of our Tier 1 supplier factories have been audited to the Workplace Conditions Assessment (WCA) on-site audit protocol and surpassed our required CSR criteria. (2) 100% of the tanneries we source leather from are LWG certified, for which a recognised social audit is now a requirement. Across our Key Tier 2 supplier base, over 90% have been audited to a labour code of conduct (either WCA assessment or other accepted social audit). (3) 100% of our Tier 1 CSR audits were conducted by a third-party auditor.
Priority non-conformance rate and associated corrective action rate for suppliers' labour code of conduct audits.	Quantitative	Rate	CG-AA-430b.2	Supplier violations found during audits are categorised by four levels of severity: zero-tolerance violations, major, minor and moderate. Zero-tolerance violations are considered the highest severity of non-conformance. During FY24, 0% of audit items were classified as zero-tolerance violations. For more information on our CSR monitoring programme see Responsibly managing our supply chain (pages 64 and 65).
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	(1) For more information see Responsibly managing our supply chain (pages 64 and 65) or our latest Modern Slavery Statement. (2) Our priority climate-related risks can be found in our TCFD disclosure on page 75.
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	(1) Leather, PVC. (2, 3, 4) For more information see Materials and Packaging (pages 57 to 60), TCFD Report (page 75) and Risk management (page 38).
(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 AW24 100% of our upper leather came from LWG certified tanneries. In FY24, we began the implementation 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.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Compliance Statement

We have set out below our climate-related financial disclosures as required by the Companies Act 2006. These are in line with the UK Listing Rules (LR 9.8.6R). This also constitutes our response to the recommendations and recommended disclosures of the Task Force on Climate-related Financial Disclosures (TCFD). We have considered the TCFD Annex and applied it where relevant.

TCFD Consistency Index

This index table signposts to where disclosures are included in the FY24 Annual Report and Accounts. Our disclosures are consistent with the TCFD's four recommendations and 10 of the 11 recommended disclosures. We believe our disclosure is partially consistent with recommendation 2b. This year we have conducted financial modelling to understand the potential impact of three of our priority climate risks and opportunities (CROs), however further modelling is required to assess all of our priority CROs at this level.

TCFD INDEX TABLE

TCFD PILLAR	RECOMMENDED DISCLOSURE	CONSISTENCY LEVEL	PAGE REFERENCE	COMPANIES ACT 2006 414CB
1. Governance	a. Describe the board's oversight of climate-related risks and opportunities.	●	Page 76	a. A description of the company's governance arrangements in relation to assessing and managing climate-related risks and opportunities.
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	●	Pages 76 and 77	
2. Strategy	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	●	Pages 77 and 78	d. A description of: <ol style="list-style-type: none"> the principal climate-related risks and opportunities arising in connection with the company's operations, and the time periods by reference to which those risks and opportunities are assessed.
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	◐	Pages 78 to 81	e. A description of the actual and potential impacts of the principal climate-related risks and opportunities on the company's business model and strategy.
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	●	Pages 81 and 82	f. An analysis of the resilience of the company's business model and strategy, taking into consideration different climate-related scenarios.
3. Risk management	a. Describe the organisation's processes for identifying and assessing climate-related risks.	●	Page 82	b. A description of how the company identifies, assesses, and manages climate-related risks and opportunities.
	b. Describe the organisation's processes for managing climate-related risks.	●	Page 82	
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	●	Pages 82 and 83	c. A description of how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management process.
4. Metrics and targets	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	●	Page 83	h. A description of the key performance indicators used to assess progress against targets used to manage climate-related risks and realise climate-related opportunities and of the calculations on which those key performance indicators are based.
	b. Disclose scope 1, scope 2 and, if appropriate, scope 3 greenhouse gas (GHG) emissions and the related risks.	●	Page 83	
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	●	Page 83	g. A description of the targets used by the company to manage climate-related risks and to realise climate-related opportunities and of performance against those targets.

Key: ● Consistent ◐ Partially consistent

SUMMARY OVERVIEW OF PROGRESS IN FY24

In our FY23 Annual Report, we recognised that we needed to undertake further work to demonstrate how we are assessing and integrating climate risks into business strategy and financial planning. To strengthen our approach, we have done the following:

Governance

Provided detailed updates to the Board via the relevant Board Committees and formalised the responsibilities of the Sustainability Committee and Audit and Risk Committee in relation to climate-related matters.

Strategy

Engaged with stakeholders in the business to review our existing priority climate-related risks and opportunities (CROs) and evolved our approach to assess and adjust the impact of CROs.

Risk management

Developed our approach to conduct financial impact modelling of three CROs to further understand the impact to the business.

Metrics and targets

Our Net-Zero science-based targets were validated by the Science Based Targets initiative (SBTi). We used a third-party emissions management tool to measure our carbon footprint for the first time. Climate and ESG-related targets were included in the FY24 Executive Bonus Scheme.

1. GOVERNANCE

1a. Board oversight

The Board is responsible for the oversight of sustainability and ESG topics across the business, including climate-related risks and opportunities. Updates relating to sustainability and climate risks and opportunities are discussed at Board meetings at least annually. This allows the Board to provide feedback and steer to the sustainability strategy, priorities and targets (including our Net-Zero target). The Board is kept informed of relevant regulatory developments, including those relating to climate-related disclosures, through quarterly 'horizon scanning' papers. The Board uses this information to help guide its decision-making, including strategic, risk management and business planning related decisions. Climate-related matters (including repair, resale and innovative material trials) were discussed and included in 50% of the CEO updates at scheduled Board meetings during FY24.

Other sustainability and climate-related matters were also regularly highlighted in Board meetings through CEO updates. Regular sustainability and climate-related updates are also provided at the Board-level and Audit and Risk Committee. The chair of the Audit and Risk Committee meets regularly with the Director of Sustainability for updates on ESG matters.

Climate-related targets formed part of the ongoing performance measures for the Executive Bonus Scheme during FY24: page 127.

1b. Management's role

The Dr. Martens sustainability strategy, Planet, Product, People, is underpinned by a clear governance framework (page 73) which covers strategic oversight and responsibilities, as well as information flows between groups and to the Board.

Sustainability Committee: The Sustainability Committee is chaired by the CEO. The Committee has overall management responsibility for climate-related topics and reports regularly to the Board. Key outputs for the Sustainability Committee during FY24 included review, discussion and approval of launch plans for multiple sustainable materials, resale and repair projects and updates against the verified SBTs, among other key decisions.

Sustainability Working Groups: The Operations, Lifecycle, Materials and Packaging working groups report into the Sustainability Committee every two months to provide progress updates against their commitments and metrics. Climate falls within the scope of each of the working groups, so climate-related issues are raised at the working groups when relevant. Working groups are led by management-level subject matter experts from across the business, with guidance and technical advice provided by the Sustainability team.

TCFD Steering Committee: The TCFD Steering Committee is comprised of the Finance, Sustainability, Internal Audit & Risk, and Supply Chain teams, and works collaboratively to identify, monitor and manage climate-related risks and opportunities. The TCFD Steering Committee is chaired by the CFO, who has ultimate accountability for climate-related issues. It provides updates into the Sustainability Committee, which is chaired by the CEO. Key outputs for FY24 included a further assessment of a selection of climate risks and opportunities, development of the TCFD disclosure and preparations for the climate transition plan.

Recommerce Steering Committee: Recommerce is a key climate-related opportunity for Dr. Martens. The Recommerce Steering Committee meets quarterly and is chaired by the CFO. It is attended by members of the Finance, Global Supply Chain, Sustainability, Legal, Technology, Digital, Marketing and relevant Regional teams. It works to advance Dr. Martens' repair and ReWair opportunities globally and to incorporate recommerce into the Group's strategic direction and financial planning. Key discussion points and outputs for FY24 included steer on the launch of both ReWair in the USA and authorised repair in the UK.

Sustainability team: Dr. Martens has a team of internal sustainability experts who have the skills and knowledge to advise the Company on sustainability matters. During FY24, the Director of Sustainability reported directly into the Chief People and Sustainability Officer (CPSO). Going forwards, the Sustainability team will report into the newly created role of Chief Brand Officer as sustainability becomes ever more important to our brand and product. The Director of Sustainability is responsible for coordinating the business's approach to managing sustainability and climate-related matters. They also support the Internal Audit and Risk and Finance teams to integrate climate-related financial information into financial and risk business processes where appropriate. The Sustainability and Climate Impact Manager is responsible for the day-to-day management of climate-related risks and opportunities across the business. They have the responsibility for attending all Sustainability Committee meetings and working groups to ensure climate risks and opportunities are considered and to provide specialist expertise. Outside of the Sustainability team, members of the Finance team participate in external training courses, including The Institute of Chartered Accountants in England and Wales Sustainability Certificate and University of Cambridge Sustainable Finance course, to ensure they keep up to date with relevant climate-related financial topics.

Employee engagement: Dr. Martens employees are educated on climate-related topics through internal engagement and strategic communications. In January 2024, an internal climate-related engagement event was organised by the Sustainability team and supported by multiple functions including Global Supply Chain and Internal Communications. Its purpose was to increase awareness of our Net-Zero commitment and specific emissions reduction initiatives, such as material innovation and recommerce. The event was attended by almost 700 of our people globally.

More detail on our sustainability governance structure can be found on page 73.

2. STRATEGY

2a. Climate-related risks and opportunities identified

As detailed in previous disclosures, we have eight thematic categories of priority CROs which were identified using the assessment process conducted in FY22 with the Carbon Trust which is outlined in our FY22 and FY23 TCFD disclosures.

We use the Network for Greening the Financial System (NGFS) climate scenarios to test our business model and strategy. By choosing these three scenarios, we set out to identify and understand the risks and opportunities that could arise for our business, supply chain and the wider economy that we operate in, to ensure that we anticipate and prepare for these outcomes. The NGFS climate scenarios are as follows:

ORDERLY TRANSITION SCENARIO (1.5°C)

The Orderly Transition scenario assumes climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued.

DISORDERLY TRANSITION SCENARIO (1.5°C-2°C)

The Disorderly Transition scenario explores higher transition risk due to policies being delayed or divergent across countries and sectors. It assumes that new climate policies are not introduced until 2030, at which point very strong policies are needed to limit warming to below 2°C. Physical risks are still relatively subdued due to global warming being limited to below 2°C.

HOT HOUSE WORLD (4°C+)

The Hot House World scenario assumes that global efforts are not sufficient to be able to halt significant global warming. Transition risks are kept relatively low as no new climate policy is introduced or implemented. Critical temperatures are exceeded as a result, leading to severe physical risks.

We continue to use the time horizons used in previous disclosures. They are:

- Short-term: Less than 5 years
- Medium-term: 5-10 years
- Long-term: 10+ years

Our eight thematic categories of priority CROs are as follows:

- Two physical risks that could impact the business in a Hot House World scenario (4°C emissions scenario), where the business and its value chain are exposed to chronic changes in local climates and an increase in the frequency and severity of extreme weather events.
- Four transitional risks and two transitional opportunities that could impact the business in an Orderly Transition scenario (1.5°C) or Disorderly Transition scenario (1.5°C-2°C), where the business is operating in a rapid transition to achieve Net-Zero by 2050. Assumptions include progressive government policies, market pressures from competitors, reputational impacts from investors and customers, and the technology gap between what is available and what is needed to achieve Net-Zero by 2050.

During FY24, the TCFD Steering Committee undertook further work to strengthen our approach which included formalising the responsibilities within the TCFD Steering Committee. Another key focus was to better understand the financial impact of our priority climate-related risks and opportunities and to engage the relevant teams in our assessment of these. The aim was to assess the potential impact to the business under different climate scenarios in order to assess Dr. Martens climate resilience.

Using the priority CROs identified in previous years, we assessed two climate-related risks and one opportunity. We applied the NGFS climate scenarios to the following priority CROs: riverine flooding, carbon taxation and repair and resale.

We have specified an estimated financial impact range against these CROs which aligns with our risk management procedure. The impact categories outline a potential reduction in operating profit for risks and a potential increase in operating profit for opportunities, taking into consideration mitigation measures implemented by Dr. Martens. The case studies can be found on pages 81 and 82.

The risks and opportunities in our TCFD disclosure only reflect our climate-related risks and opportunities. For an overview of all of Dr. Martens principal risks, please refer to pages 39 to 43.

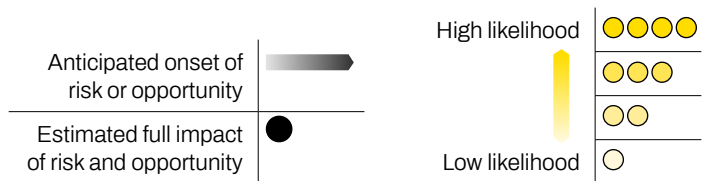
In the table below, we outline our priority CROs along with their perceived sensitivity to each of the listed scenarios.

How to read the table:

In the case of riverine flooding, it is anticipated that the impact will materialise in the short to medium term. In an Orderly Transition scenario where consistent policies and mitigations have been implemented early-on and have contained the worst effects of climate change, the impact is relatively low. The impact and likelihood of riverine flooding is higher under a Disorderly Transition scenario, where there has been a delay in implementing the policies needed to contain global warming due to the disorganised nature of the mitigation measures. In a Hot House World scenario, insufficient measures to contain the effects of climate change have been implemented and as a result, the impacts and likelihood of riverine flooding are the most severe and most likely.

			Time horizon			Likelihood: Scenario sensitivity		
Climate-related risks		Category	Short	Medium	Long	Orderly	Disorderly	Hot House
PHYSICAL RISKS	PR1. Riverine flooding	Acute						
	PR2. Changes in temperature	Chronic						
TRANSITION RISKS	TR1. Carbon taxation	Policy						
	TR2. Production standards	Policy						
	TR3. Increased prices of input materials, processes and services	Market						
	TR4. Land-use & agricultural practices	Market						

Climate-related opportunities								
TRANSITION OPPORTUNITIES								
TO1. Repair and resale	Market							
TO2. Alternative materials	Market							








2b. Impact of climate-related risks and opportunities

Recognising the impact of climate change across the short, medium and long term, we consider the actual and potential financial impacts on our business model, our strategy and our financial planning. Where possible, we look to mitigate cost pressures through procurement and sourcing efficiencies. Given our budgets and strategic financial plans are underpinned by going concern and viability, we assessed the potential business and financial impact of our priority CROs and aligned with the business’s internal risk management process as summarised in 3a. In our FY23 TCFD disclosure we provided an indicative gross impact for each CRO, which was a broad estimation and did not include a financial range. Since then, we have developed our approach and conducted modelling to quantify an estimated financial impact against three of our priority CROs, indicated in the table on the next page. The impact categories outline a potential reduction in operating profit for risks and a potential increase in operating profit for opportunities, taking into consideration mitigation measures. Going forward, we will aim to quantify the financial impact of the remaining CROs using our updated methodology.




In the table below, where the estimated financial impact category states ‘further modelling required’, the indicative gross impact from our FY23 disclosure still applies. As the indicative gross impact does not align with the updated impact categories used in this disclosure, further modelling is required to align the impact estimation using our updated approach.

ESTIMATED FINANCIAL IMPACT CATEGORY

 Over £10m: Severe
  Between £5m-£10m: Serious
  Between £1m-£5m: Moderate
  Less than £1m: Low

RISK	ESTIMATED FINANCIAL IMPACT CATEGORY	RISK DESCRIPTION	HOW WE MANAGE AND MITIGATE THE RISK	METRICS AND TARGETS
Physical Risk 1. Acute – riverine flooding Timeframe: S M L 		An increase in the severity and frequency of extreme weather events could disrupt the operation of our value chain and negatively impact our third-party suppliers’ production capabilities, which could significantly impact our business. We modelled a significant weather event – riverine flooding in Vietnam – in a Hot House World scenario (4°C) to further understand the potential impact. See the corresponding case study in section 2c for key assumptions and more.	The impact of flooding on our value chain is mitigated through the diversification of sourcing countries and Tier 1 suppliers, counter sourcing of high volume new products, and spreading new product developments across factories. See the corresponding case study in section 2c for further detail.	To monitor the risk of riverine flooding, we engage with suppliers through a standardised information request, which monitors individual suppliers’ current mitigation measures
Physical Risk 2. Chronic changes in temperature Timeframe: S M L 	Further modelling required	Leather is our most commonly used upper material. Some of our sourcing regions may be subject to an increase in droughts and heatwaves in a Hot House World scenario (4°C), which could result in reduced availability of raw materials.	To be able to understand our exposure to the risk of chronic changes in temperature to our sourcing regions, we require a deeper understanding of where this may impact Dr. Martens sourcing the most. We are making good progress on leather traceability, with 89% of our upper leather being traceable back to the abattoir for AW23. Our longer-term aim is to achieve traceability back to the farm to better understand the impact of physical climate risks on our value chain. See pages 57 and 58 of our Sustainability Report for more details on leather traceability commitments and our progress. We can also reduce our exposure to this risk by diversifying our materials, which is presented as an opportunity within TO2. By reducing our reliance on conventional leather sourced from high risk areas, we reduce the potential impact of this risk.	Target: 100% leather traceability for all countries by 2024 Status: 89% For more see page 57
Transition Risk 1. Carbon taxation Timeframe: S M L 		Introduction of carbon taxes and/or carbon trading markets could increase input costs across the value chain. We modelled the two extreme emissions pathways for Dr. Martens (achieving Net-Zero by 2040 resulting in low emissions, and continuing BAU with no interventions resulting in high emissions) against both the Orderly Transition and Hot House World scenarios to better understand the range of potential impacts. See the corresponding case study in section 2c for key assumptions and more.	There is a direct correlation between the level of emissions and exposure to the risk of carbon taxation – high emissions mean a high level of exposure to carbon taxation. Therefore the best mitigation for this risk is to reduce our emissions in line with our science-based targets, which were validated by the SBTi in October 2023. See the corresponding case study in section 2c for further detail on how we modelled this risk, and page 52 in the Sustainability Report for further detail on some of the ways we aim to decarbonise Dr. Martens.	Target: Dr. Martens commits to Net-Zero GHG emissions across the value chain by FY40 For our full near and long-term SBTs, see page 51

RISK	ESTIMATED FINANCIAL IMPACT CATEGORY	RISK DESCRIPTION	HOW WE MANAGE AND MITIGATE THE RISK	METRICS AND TARGETS
<p>Transition Risk 2. Production standards</p> <p>Timeframe:</p>	Further modelling required	Decarbonisation standards could be imposed upon key supplier markets such as cattle-farming, PVC production and packaging, which could result in an increased price of input materials (TR3). However, production standards also offer an opportunity for Dr. Martens. Resilience across the value chain can be strengthened which could result in positive operational efficiency opportunities. The overall impact depends upon government policy and alternative technology development.	By finding and using alternative materials which are less carbon intensive than those that we currently use, we reduce our exposure to decarbonisation standards being imposed to a detrimental degree (see TO2). These could include bio-based alternatives to PVC and lower-impact leather. Our suppliers with environmental certifications standards or an environmental management system in place are already taking steps to manage their carbon impact through energy, waste and water management, which reduces the risk of new decarbonisation standards derailing their production.	<p>Target: 100% upper leather from LWG by 2023 (to be maintained going forward)</p> <p>Status: 100% (for the AW24 season)</p> <p>Target: Sustainable vegan upper material by 2028 and sustainable alternative to outsoles by 2035</p> <p>Status: Materials in development. See pages 58 and 59</p> <p>Target: Environmental certification standard to Tier 1 suppliers by 2025</p> <p>Status: 46% of our Tier 1 footwear factories</p>
<p>Transition Risk 3. Increased prices of input materials, processes and services</p> <p>Timeframe:</p>	Further modelling required	<p>The decarbonisation of materials and services could require higher levels of investment within the supply chain which could be passed downstream to Dr. Martens. This could materialise as a price increase for fossil fuel-generated electricity from the grid and inputs for virgin PVC.</p> <p>Projected grid prices and PVC demand are based on IEA World Energy Outlook and Energy Technology Perspectives scenarios, and heavy fuel oil prices based on GCAM5.3 IAM outputs. The price of PVC is assumed to have a unitary price elasticity with respect to demand. For the impact of coal and gas prices, the grid mix is assumed to stay constant with no phase out of fossil fuel assets.</p>	<p>We are continuing to test and trial alternative materials, including a bio-based PVC outsole which meets our durability and quality standards as we progress towards our target to develop a sustainable alternative outsole by 2035. See page 59 of our Sustainability Report for more details on exploring bio-based alternatives and our progress.</p> <p>Over 90% of the electricity sourced by our owned and operated sites in the UK and EMEA was from renewable sources during FY24, which mitigates the risk of increasing grid prices. We have also identified solutions to help us source renewable electricity across all our owned and operated sites globally by the end of 2025, which we are aiming to implement over the course of FY25.</p>	<p>Target: Sustainable alternative to outsoles by 2035</p> <p>Status: Materials in development. See page 59</p> <p>Target: 100% renewable electricity across all owned and operated sites by 2025</p> <p>Status: Global = 46.3% of total kWh consumption (UK & EMEA 93.5%)</p>
<p>Transition Risk 4. Land-use & agricultural practices</p> <p>Timeframe:</p>	Further modelling required	<p>Procurement costs could increase as a result of global emission reduction efforts, due to less intensive practices and higher demand for lower impact materials. This would also negatively impact the risk area TR3 due to the potential cost uplift. The impact on Dr. Martens is challenging to model given the relatively far-removed upstream position and the systemic nature of these risks.</p> <p>It is assumed that prices of raw hides will increase proportionately with the decreased availability of land. It is not assumed that Dr. Martens suppliers could procure hides from other locations that would be less affected resulting in a lower price difference.</p>	We are looking to diversify our material procurement into alternative materials as part of our Net-Zero ambition, which we see as a key mitigation measure for this risk. See the 'Alternative materials' opportunity below (TO2) and pages 58 and 59 of our Sustainability Report for more details on how we are exploring leather alternatives.	<p>Target: 100% of footwear made from sustainable materials by 2040</p> <p>Status: See pages 58 and 59 for more details on our progress, including the launch of our first product made from reclaimed leather</p>

OPPORTUNITY	ESTIMATED FINANCIAL IMPACT CATEGORY	OPPORTUNITY DESCRIPTION	HOW WE MANAGE AND LEVERAGE THE OPPORTUNITY	METRICS AND TARGETS
Transition Opportunity 1. Repair and resale  Timeframe: 		<p>Repair and resale presents a significant opportunity for Dr. Martens through the generation of revenue and profit based on the projected rates of growth for this new market.</p> <p>These markets are projected to have high levels of growth in all three temperature scenarios (Orderly Transition, Disorderly Transition, and Hot House World).</p> <p>For key assumptions, see the case study in section 2c.</p>	<p>Build a profitable repair and resale business model is a strategic project under the ‘Direct-to-consumer’ pillar of our DOCS strategy. We successfully launched Dr. Martens first resale business model in the UK during FY23, which served as the basis for the USA ReWair recommerce model which launched in March 2024.</p> <p>See the corresponding case study in section 2c.</p>	<p>Target: 100% of products sold have a sustainable end-of-life option by 2040</p> <p>Status: Launched authorised repair in the UK, resale in the UK and USA (‘ReWair’), Recommerce Steering Committee, see section 1b)</p>
Transition Opportunity 2. Alternative materials Timeframe: 	Further modelling required	<p>The alternative leather market presents a significant opportunity for Dr. Martens through the generation of revenue and profit based on the projected rapid growth of the market.</p> <p>Lower impact leather from regenerative sources and alternative materials such as reclaimed leather could also have the added benefit of reducing the emissions intensity per product. Identifying and using alternative materials could also reduce exposure to the Land-use & agricultural practices risk (TR4) listed above.</p> <p>It is assumed that Dr. Martens will be able to capture a market share similar to the one held in regular footwear, in equal proportion across the EU and USA.</p>	<p>Dr. Martens is committed to working with suppliers to trial alternative and lower impact materials.</p> <p>In March 2024 we launched products made from Genix Nappa, a material derived from reclaimed leather offcuts destined for landfill. We will gather consumer feedback and continue to work with the supplier to further enhance the sustainability credentials of the material.</p> <p>We have also advanced our work on bio-based vegan materials and investigating regenerative leather. See pages 58 and 59 of our Sustainability Report for further detail.</p>	<p>Target: Sustainable vegan upper material by 2028</p> <p>Status: Materials in development. See pages 58 and 59</p> <p>Target: 100% of footwear made from sustainable materials by 2040</p> <p>Status: See pages 58 and 59 for more details on our progress, including the launch of our first product made from reclaimed leather</p>

2c. Resilience of the business strategy

The Orderly Transition, Disorderly Transition and Hot House World scenarios were applied across three of our priority CROs. The aim was to understand how the different scenarios impacted the risk or opportunity in order to better understand our business’s climate resilience. In all three cases, no material impact on the business model or strategy was found. The findings are presented in the following case studies:

PHYSICAL RISK: RIVERINE FLOODING (PR1) (Spotlight on riverine flooding in Ho Chi Minh City, Vietnam)

Extreme weather events can have far-reaching consequences for companies with global supply chains such as Dr. Martens. Based on the CRO prioritisation assessment conducted in FY22 by the Carbon Trust, riverine flooding was identified as being one of the most material physical risks for Dr. Martens.

The TCFD Steering Committee opted to explore the potential impact of a riverine flooding event in Ho Chi Minh City (HCM) due to the region’s high-risk score on World Resources Institute (WRI) Aqueduct tool and the location’s importance to our sourcing strategy. Several of our Tier 1 factories and material suppliers, including tanneries, are located in HCM. The aim was that in choosing one geographical region to begin the process of quantifying potential financial impact, we could refine that process and quantify other physical risks in future.

A flooding scenario workshop was conducted in November 2023 which was attended by members of the TCFD Steering Committee and representatives from the Global Supply Chain team. Following the workshop, we then engaged with Tier 1 and Key Tier 2 suppliers in the region to ascertain any existing mitigation measures they might have in place, and to better understand the time it would take for the factories to get back to full production should a flood occur. This was modelled under the assumption of a Hot House World scenario.

The information from supplier discussions was then translated into a number which represented capacity loss. This was then modelled as a key component of the ‘Severe but plausible’ scenario in FY26 for the going concern work for the audit. This produced a potential financial impact for the risk of a riverine flooding event in Ho Chi Minh City.

We have existing mitigation measures in place to avoid supply chain disruption which could be applied in the event of a severe weather event such as flooding. These include a diverse range of sourcing countries and the ability to counter-source high volume products.

We will continue to engage with the view to minimise business disruptions to both Dr. Martens and to our suppliers.

TRANSITION RISK: CARBON TAXATION (TR1)

Carbon taxation risk, from policies and taxes spurred by the Paris Agreement, is an area of potential financial impact. It could vary substantially among companies operating in the same business sectors. The TCFD Steering Committee sought to better understand how it might present as a cost-saving opportunity if Dr. Martens was to decarbonise as planned against the Net-Zero by FY40 target, and the potential implications of failing to achieve the Net-Zero target on the bottom line.

We modelled the two extreme emissions pathways – the first being that Dr. Martens follow the Net-Zero plan and achieve the emissions reductions necessary to be a Net-Zero business by FY40, and the second being that no decarbonisation measures are taken resulting in very high emissions as the business grows. We then overlaid two extreme carbon taxation pathways – the first followed a transitional scenario (which used the Orderly Transition temperature scenarios) where a steep and consistent increase in the tax price of a unit of carbon is needed to encourage industry decarbonisation, and the second followed a stated policies scenario (Hot House World) where no new legislation or commitments are implemented and the tax price of a unit of carbon remains close to what it is in present day.

The findings showed that the biggest impact would be if a transitional scenario happened, and Dr. Martens failed to decarbonise. The modelling showed that reaching the Net-Zero by 2040 target was the best mitigation to this risk and would also provide significant savings in comparison to failing to achieve the target. The impact to Dr. Martens would be relatively immaterial if a Hot House World scenario occurred.

This work reiterated the need for Dr. Martens to be a Net-Zero business by FY40 and to achieve our science-based targets and commitments. Our SBTs were approved by the SBTi in 2023 and can be found in the Sustainability Report on page 51.

TRANSITION OPPORTUNITY: REPAIR AND RESALE (TO1)

For Dr. Martens, recommerce encompasses everything related to resale, repair, trade-in and end-of-life. Recommerce supports progress towards our targets to offer our consumers options to maximise the useable life of their products by 2025, for all products to have a sustainable end-of-life option by 2040, and reaching Net-Zero by 2040. It is also a rapidly emerging sector and has become the fastest growing channel in retail, with two in five items in Gen Z's closet estimated to be second-hand. We currently offer an authorised repair service in the UK and resale initiatives in the UK and USA ('ReWair').

ReWair launched in March 2024. As ReWair is a new business model for Dr. Martens, the commercial plan for the first year is conservative. However, we will test and learn with the ambition to grow this in line with the macro trends of the sector and into a more significant, profitable portion of our business.

3. RISK MANAGEMENT

3a. Processes for identifying and assessing climate-related risks

IDENTIFICATION

We include climate-related risks within our Group risk management framework, which is explained further on pages 38 and 39. We also recognise the different nature of climate risks compared to some of the other risks we typically face, particularly their longer-term time horizon and related uncertainty. Therefore, we carried out a more in-depth identification and assessment of climate risks and opportunities (CROs), with the assistance of external advisers.

ASSESSMENT

To assess and prioritise the initial longlist of CROs that were identified, we considered the:

- Indicative potential financial or strategic impact on the business
- Likelihood and sensitivity to each scenario
- Velocity of change

We applied the three climate scenarios (Orderly Transition, Disorderly Transition, Hot House World) as set out in 2c. Those CROs that exceeded an internally agreed threshold were identified as potentially significant, prioritised for further assessment, and logged on our climate risk register (as noted in 2a).

Further scenario analysis (as summarised in 2c) will be undertaken on a selection of these CROs on an annual basis. The CROs selected for further analysis will depend on updates and changes from external factors, such as policy and legislation changes, as well as business changes (such as new materials and product ranges).

To assess the impact to the business arising from climate-related risks, we align with the business's internal risk management process. For the purpose of this assessment, how we assess materiality in relation to climate-related matters is reflected in the key above the table in section 2b.

In the cases where we have not yet undertaken an assessment of financial materiality and therefore financial impact, these have been identified as 'further

modelling required'. Where this is stated, the indicative gross impact from the FY23 disclosure still applies. However, as this does not align with the updated impact categories, further modelling is required to align with our updated methodology. The business impact of such risks is discussed in the Strategy section on pages 78 to 82.

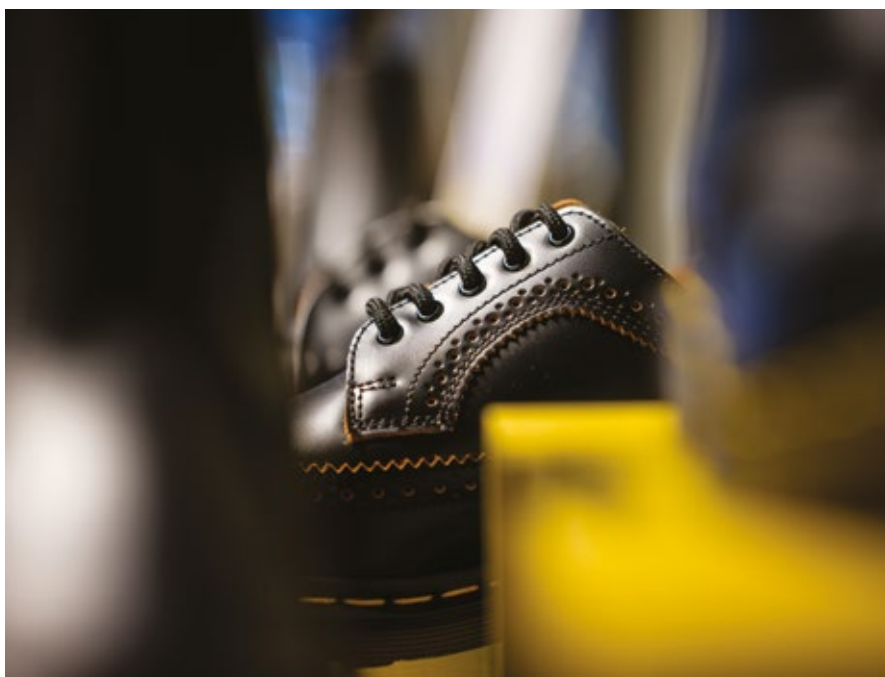
3b. Processes for managing climate-related risks

We manage our climate-related risks in the same way as other risks that the business faces (refer to the Risk management section of this report for further explanation on our overall approach on pages 38 to 43).

We have summarised management controls and mitigation measures we have in place to manage the potentially significant climate-related risks in the table set out in section 2b.

3c. Integration into overall risk management

Climate change is integrated into Dr. Martens broader risk management framework, and is subject to the same governance, annual review process and management attention as other risks recorded on our Group Risk Register. We currently consider climate risk as an emerging risk rather than a separate principal risk. This assessment is based upon two main considerations. Firstly, there remain considerable ranges of uncertainty on the extent and timing of when climate risks might materialise, particularly within the timeframe of our normal business



planning cycle. Secondly, our current assessment is that there is no material impact on the achievement of our business strategy, when considering the direct impact of climate risks separate from other risks. However, we do include it as a key component of the social and environmental principal risk.

We also recognise that climate impacts our other principal risks, particularly supply chain, brand and product, legal and compliance, and therefore climate is considered in the way we assess and mitigate those risks. Pages 40 to 43 include further detail on our principal risks.

In order to further integrate climate within our approach to risk management and decision-making, climate risk is considered when assessing new supplier locations and partners. It is considered within our new country risk assessment process and, if relevant, it is also considered in the risk assessment and due diligence process for selecting new supplier factory locations. Findings are reviewed by the Operating Committee.

4. METRICS AND TARGETS

We have several metrics and targets in place to monitor our priority climate-related risks and opportunities. These are outlined in the case studies on pages 81 and 82.

4a. Metrics used to assess climate-related risks and opportunities

Progress against our Net-Zero target will be the main metric we use to assess our management of climate-related risks and opportunities. We have set absolute reduction targets based on an FY20 baseline, aligned with limiting global warming to 1.5°C (scope 3 near-term targets are aligned to well below 2°C).

Dr. Martens commits to reach Net-Zero greenhouse gas (GHG) emissions across the value chain by FY40.

Other metrics currently used to monitor our climate-related performance include:

- Source renewable electricity across all owned and operated sites by 2025 (FY24: 93.5% (EMEA including UK)).
- Environmental certification standard to all Tier 1 suppliers by 2025 (FY24: 46%).

We continue to work towards our other sustainability commitments which support our Net-Zero targets. Approximately 99% of our footprint comes from scope 3 emissions, the majority of which come from our use

of materials including leather, PVC and packaging. We have set targets to support sourcing of lower impact materials including:

- 100% of footwear made from sustainable materials by 2040.
- 100% of natural materials in products from regenerative agriculture by 2040.
- 100% of packaging from recycled or other sustainably sourced material by 2028.

4b. Scope 1, 2 and 3 emissions and related risks

The table below contains the results of our FY23 carbon footprint. Our FY23 and FY24 limited scope 1, 2 and 3 GHG emissions can be found in our SECR disclosure on page 53.

For our FY23 footprint, we used a third-party emissions management tool to calculate our footprint for the first time.

This change in approach meant that some categories were calculated using different methodologies than those used in FY20 and FY22. Further details can be found on pages 51 to 53 of our Sustainability Report.

Scope	FY23 tonnes CO ₂ e	% of total value chain
Scope 1	1,151	0.4
Scope 2 (Location) ¹	2,502	–
Scope 2 (Market)	1,903	0.7
Scope 3 ²	277,402	98.9

1. Scope 2 (Location) not included in the total or calculation.
2. All material scope 3 emissions are included. The following GHG Protocol scope 3 emissions categories are excluded because they are covered in another category or because they are not relevant to our business: (8) Upstream leased assets, (10) Processing of sold products and (13) Downstream leased assets.

Each year we aim to improve the granularity and quality of data used to calculate our footprint. In FY23 this was significantly improved across several categories. Where available, we used lifecycle assessments (LCAs) specific to the materials we sourced. For example, we used specific LCAs for 49% of the leather types we purchased, rather than using the generic emissions factor for leather. These improvements mean our FY23 footprint is more accurate and comprehensive than in previous years.

4c. Climate-related targets and performance

Targets relating to our climate-related risks and opportunities can be found on pages 79 to 81 and all other progress against sustainability commitments can be found throughout our Sustainability Report.

5. WHAT'S NEXT?

Next, we aim to quantify the financial impact of the priority CROs which have not been assessed in detail yet. We also plan to conduct a double materiality assessment. A double materiality assessment identifies the sustainability matters that are most material to an organisation and its stakeholders by evaluating their impact on environmental and social factors (inside-out perspective), while also considering how these factors influence the organisation (outside-in perspective). We will aim to review our CROs as part of this process.

Scope 3 emissions category	FY23 emissions (tCO ₂ e)	Percentage contribution to scope 3 emissions
Purchased goods and services	214,405	77.3%
Capital goods	10,880	3.9%
Fuel and energy related activities	973	0.3%
Upstream transportation and distribution	20,993	7.6%
Waste generated in operations	1,400	0.5%
Business travel	6,563	2.4%
Employee commuting	4,288	1.5%
Downstream transportation and distribution	4,157	1.5%
Use of sold products	1,906	0.7%
End-of-life treatment of sold products	11,100	4.0%
Franchises	287	0.1%
Investments	450	0.2%