

# MODERN SLAVERY

AND TRANSPARENCY IN THE  
SUPPLY CHAIN STATEMENT

2022/23

# INTRODUCTION

**Modern slavery is an umbrella term which covers a range of coercive labour practices, including forced and compulsory labour, bonded labour, child labour and human trafficking. It is when a person loses their freedom and is exploited for the personal or commercial gain of another person with threat of punishment or penalty. It is a global issue which occurs in almost all countries.**

Modern slavery has grown in recent years. The latest estimates show that globally there are almost 50 million victims each day . This works out to nearly one in every 150 people in the world. Crises such as the Covid-19 pandemic, armed conflict and climate change have disrupted employment and education globally, increased cases of extreme poverty and forced migration, which all lead to the increased risk of all forms of modern slavery.

Integrity is at the heart of what we do and how we show up at Dr. Martens. We expect high standards of each other and our supply partners. As a result, we will never accept modern slavery in any form and we take our responsibility seriously. As a global business we accept the responsibility we have to drive change and transparency.

This is our sixth Modern Slavery Statement and each year we are committed to outlining our approach to prevent, detect and respond to slavery through supply chain traceability, education and collaboration.

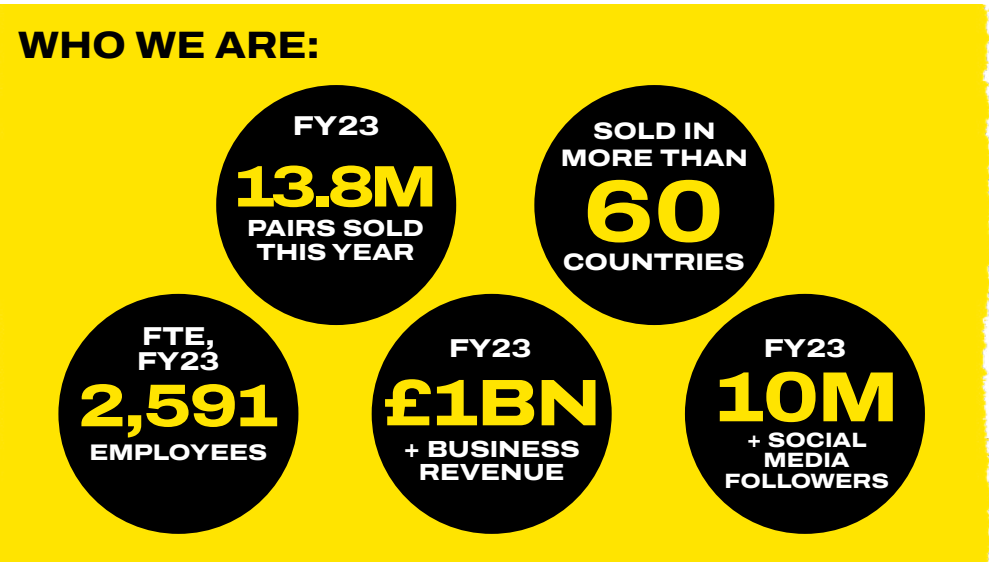
This statement covers Dr. Martens plc and other Group companies which are in scope (and together are referred to as “Dr. Martens”) and is made pursuant to section 54 of the Modern Slavery Act 2015, California Transparency in Supply Chains Act of 2010 (SB 657) and Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act, SC 2023 (authorized in accordance with subsection 14(4) (b)(ii)). This statement relates to the Dr. Martens fiscal year from 1 April 2022 to 31 March 2023.



**8** DECENT WORK AND  
ECONOMIC GROWTH



# STRUCTURE, BUSINESS, AND SUPPLY CHAINS



Dr. Martens is an iconic British brand founded in 1960 in Northamptonshire. Originally produced for workers looking for tough, durable boots, the brand was quickly adopted by diverse youth subcultures and associated musical movements. Dr. Martens has since transcended its working-class roots while still celebrating its proud heritage and, six decades later, “Docs” or “DMs” are worn by people around the world who use them as a symbol of empowerment and their own individual attitude.

The Company listed successfully on the main market of the London Stock Exchange on 29 January 2021 (DOCS.L) and is a constituent of the FTSE 250 index.

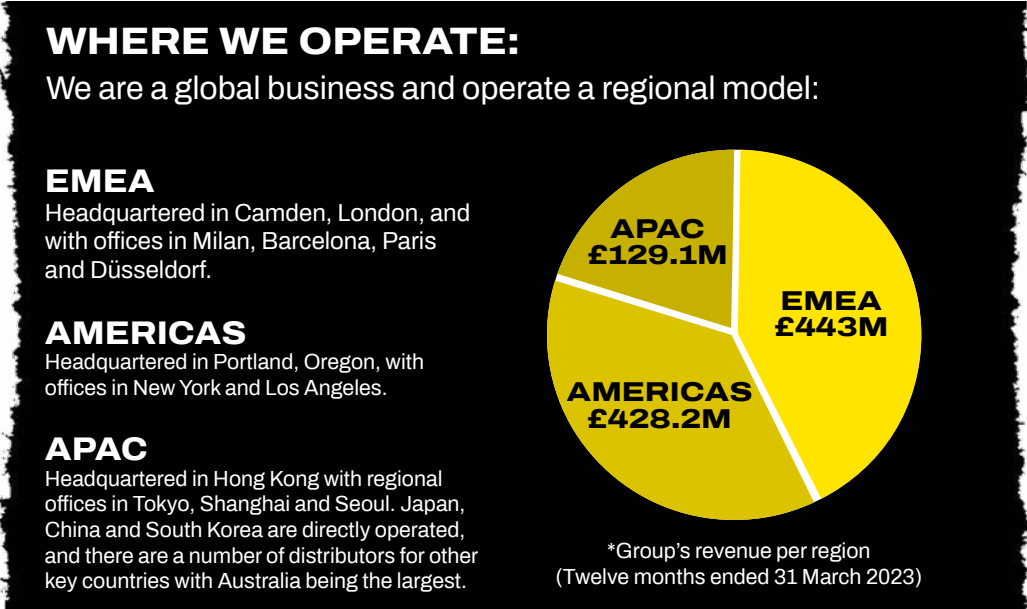
Our product range includes footwear categories comprised of Originals, Fusion, Kids and Casual, as well as a complementary range of Accessories. Our Originals category accounted for 46% of FY23 total revenue. We create durable, high quality and timeless footwear, and these principles are rooted in our sustainable, long-term custodian approach. Our products are worn by a diverse consumer base who use Dr. Martens boots and shoes as a symbol of their individual self-expression.

<sup>1</sup>International Labour Organization (ILO), Walk Free, and International Organization for Migration (IOM) Global Estimates of Modern Slavery, Forced Labour and Forced Marriage

**Our products are sold through the following global revenue channels:**

- + Direct-to-consumer (DTC):
  - Ecommerce: Our consumer websites cover the majority of our markets. In FY23, ecommerce generated 28% of revenue.
  - Retail: We operate 204 own stores globally (88 in EMEA, 54 in America, and 62 in APAC) and they provide the opportunity to showcase our brand and products in the best possible physical environment.
- + Wholesale: This encompasses wholesale partner relationships, together with country distributor models and franchised stores, enabling us to reach more consumers and further grow brand awareness.

We employ 2,591 people (FTE) who are based in our stores, offices, factories and distribution facilities all around the world. Our priority is to provide fair and safe working conditions for all of our employees, and to foster an environment where everyone feels supported, included and empowered to express themselves.



**EMEA**  
Headquartered in Camden, London, and with offices in Milan, Barcelona, Paris and Düsseldorf.

**AMERICAS**  
Headquartered in Portland, Oregon, with offices in New York and Los Angeles.

**APAC**  
Headquartered in Hong Kong with regional offices in Tokyo, Shanghai and Seoul. Japan, China and South Korea are directly operated, and there are a number of distributors for other key countries with Australia being the largest.



# OUR PRODUCT GLOBAL SUPPLY CHAIN:

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

- + **TIER 1 SUPPLIER: A supplier which manufactures or assembles finished products.**
- + **KEY TIER 2: A supplier that produces a strategic component (e.g. tanneries, or outsole suppliers).**
- + **TIER 2: A supplier that produces other components.**

The majority of our products are manufactured by our global network of Tier 1 suppliers located across Asia and Europe. We have one Dr. Martens-owned manufacturing site in the UK which produces Made in England and collaboration products. We have visibility of all our Tier 1 suppliers.

## TIER 1:

When partnering with Tier 1 suppliers, we value strong longstanding relationships and have worked with many of our supply chain partners for decades. We also nominate a number of our Tier 2 suppliers including tanneries and outsole suppliers. At FY23 year end, we had 17 Tier 1 footwear supplier factories and 8 Tier 1 accessory suppliers. Currently, our Tier 1 suppliers are located in the UK, Vietnam, Thailand, Laos, China, Portugal and Taiwan. Our Tier 1 factory list is shared on our website which we update every six months.

We hold regular supplier conferences which are attended by our Tier 1 suppliers and hosted by our Chief Operating Officer. These conferences promote an environment of trust and transparency, whilst allowing us to build a deeper understanding of the issues faced by our suppliers. We address CSR topics including the expectation of high social and labour standards at these conferences.



## TIER 2 SUPPLIERS:

In addition to Tier 1 suppliers, we work directly with Key Tier 2 suppliers for components including leather and outsole granulate material. We have visibility of all key component suppliers. We provide a list of nominated Tier 2 suppliers for certain components which the Tier 1 suppliers are required to source from. We shortlist preferred Tier 2 suppliers through an audit process; the criteria for which includes conformity with our Supplier Code of Conduct as well as adherence to product quality and compliance standards, including in connection with modern slavery laws and regulations. We monitor this nominated Tier 2 supplier list on an ongoing seasonal basis. Our top materials sourced by volume are leather, outsole PVC granulate and packaging materials.

## DISTRIBUTION:

We operate with one Group owned and operated distribution centre (DC) in the UK and nine third-party DCs across EMEA, America and APAC. During FY23, due to issues transitioning to a new third-party DC in LA, we used temporary satellite warehousing sites to sort and store product. DC activities include receiving finished goods from our third-party manufacturers and Made in England factory, inspecting and processing those products (including returns), and shipping them to our customers and to our own stores. Temporary employees in our distribution facilities are hired by labour providers. In the distribution centre we directly operate, we work with trusted labour agents for the recruitment of temporary employees for peak trading periods. We aim to only offer full time positions to temporary staff, unless the role requires particular experience, or is a managerial position.

## NON-PRODUCT SUPPLIERS:

We also work with non-product third-party suppliers that support our wider business. These include suppliers such as goods not for resale, service providers, consultants and tech providers. All new suppliers, product and non-product, must go through our Third Party Due Diligence Process which you can find out more about on page 8.



# STRATEGY AND GOVERNANCE:

## HUMAN RIGHTS IS A KEY FOCUS AREA OF OUR SUSTAINABILITY STRATEGY:

Our Planet, Product, People sustainability strategy covers environmental and social aspects. It captures eight key areas based on the material issues identified through an in-depth materiality assessment. Human Rights is a key focus area for the business and is included within the People pillar of the strategy. Sustainability projects are also included in the DOCS strategy to ensure that sustainability becomes an operational requirement for all functions delivering our sustainability commitments. For additional information on our sustainability strategy please see our Annual Report.



## GOVERNANCE:

The Board is responsible for the oversight and integration of ESG-related activities across the business. The Chief Operating Officer (COO) is accountable for supply chain human rights and the Chief People and Sustainability Officer (CPSO) is accountable for human rights across our own operations.

CSR Team: Ethical trade and human rights due diligence in the supply chain falls within the remit of the dedicated Corporate Social Responsibility (CSR) Team. This is a specialist team of internal ethical trade experts who are located in key sourcing locations such as Vietnam and who work closely with our supply chain partners.

Sustainability Team: Dr. Martens has a team of internal sustainability experts who have the skills and knowledge required to support decision-making on environmental and social issues. They are also responsible for embedding and championing the strategic sustainability projects throughout the business. They attend all Sustainability Committee meetings and working groups to provide specialist expertise when required.

Our full sustainability governance structure can be found on page 96 of our [FY23 Annual Report](#).



# POLICIES AND CONTRACTUAL AGREEMENTS:

We have a number of clear policies and procedures in place, along with strong supply chain management processes to ensure our suppliers comply with our business terms and regulations.

Our policy needs in relation to human rights and modern slavery are reviewed by relevant teams including our Legal, Compliance, Global Supply Chain and Sustainability teams. Policies are developed by using international standards and benchmarking against best practices across the industry.

## MASTER SUPPLY AGREEMENT

Master Supply Agreements (MSA) have been introduced for our Tier 1 suppliers and some of our Key Tier 2 suppliers. The MSA includes relevant policies, such as our Supplier Code of Conduct and Migrant Worker Policy, which cover our standards and binding clauses on issues such as human rights and modern slavery.

## SUPPLIER CODE OF CONDUCT

Our Supplier Code of Conduct sets out our expectations for our suppliers on the treatment of their workforce. It is based on international conventions including the Ethical Trade Initiative Base Code and conventions of the International Labour Organisation (ILO). Our Supplier Code of Conduct contains clauses on subcontracting and homeworking, as well as detail on what constitutes modern slavery or forced labour. The Code of Conduct is contractually binding and is available for all Dr. Martens employees on the compliance and training hub, as well as on our corporate website.

## MIGRANT WORKER POLICY

Migrant workers in supply chains are more vulnerable to modern slavery. Our Migrant Worker Policy sets out our expectations on the treatment of migrant workers for our supply chain. It is based on the Dhaka Principles, which were developed by the Institute of Human Rights in Business (IHBR) and are based on international best practices, which address the issues migrant workers may face. It is also available for all Dr. Martens employees on the internal compliance and training hub.

## ANTI-SLAVERY AND HUMAN TRAFFICKING POLICY

We have an Anti-Slavery and Human Trafficking Policy to ensure that our own employees are aware of their obligations under the Modern Slavery Act and other applicable laws concerning forced labour (including child labour). It is available for all Dr. Martens employees on the internal compliance and training hub.

## SPEAK UP

Issues can be reported through our free, confidential Speak Up hotline. It is available for anyone seeking guidance or to raise concerns and grievances. Issues relating to human rights, modern slavery, or any other area covered in the DOctrine can be raised here. The Compliance team manage the response process.

## DOCTRINE

In addition to our Supplier Code of Conduct, we also have a global business Code of Conduct called the 'DOctrine' which raises awareness and expectations amongst our own employees regarding human rights and modern slavery. It is made available via a number of channels, including in the induction pack for all new employees, on the internal policy hub and on our corporate website.

## COMPLIANCE PLATFORM

Our internal compliance platform allows consistent and relevant policies and training to be distributed globally across all regions in relevant languages. It also provides live views and up to date reporting and monitoring of the business' progress rate, therefore allowing targeted training and communication where needed throughout Dr. Martens.

At Dr.Martens we do the right thing.  
This means as a company we expect high standards.

We look to you, no matter what your role or where you are in the world, to follow these standards.

This document defines the way we do business.

**This is our DOctrine.**

# RISK MANAGEMENT, SUPPLY CHAIN MONITORING AND DUE DILIGENCE PROCESSES:

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RISKS ARE INTEGRATED INTO DR. MARTENS BROADER RISK MANAGEMENT FRAMEWORK, AND ARE SUBJECT TO THE SAME GOVERNANCE, ANNUAL REVIEW PROCESS AND MANAGEMENT ATTENTION AS OTHER RISKS RECORDED ON OUR GROUP RISK REGISTER. FURTHER DETAIL ON OUR RISK MANAGEMENT FRAMEWORK IS ON PAGE 55 OF THE FY23 ANNUAL REPORT.**

**We use different due diligence tools to support our commitment to human rights:**

- + Policies and contracts
- + Group risk management framework
- + Country approval process
- + Supplier onboarding
- + Supplier monitoring programme
- + Training and workshops

## HUMAN RIGHTS RISK ASSESSMENT:

During FY23, we engaged with a specialist consultancy to assess our management systems for identifying and managing human rights risks. The aim was to identify the strengths and gaps in our human rights programme and to provide recommendations for improvement. The methodology was aligned with upcoming legislative requirements for human rights due diligence and OECD Guidelines. The project involved a thorough document review and engagement with key internal stakeholders. The exercise identified we have solid foundation for our human rights programme and recommended areas we can improve in a phased approach over the next three years. These included formalisation of existing processes, strengthening policy commitments and clearer accountability. The next step is to establish an implementation plan and agree priorities.

## THIRD PARTY DUE DILIGENCE PROCESS:

When we engage third parties, we must complete sufficient due diligence before entering any arrangement. We have a third-party due diligence procedure in place which is conducted before we contract with any supplier (product and non-product) selling products, technology or services to Dr. Martens. The process involves appropriate due diligence checks on the supplier including a Vendor Risk Assessment, contract review, compliance screening and a Data Protection Impact Assessment (where applicable). The level of due diligence depends on factors such as the supplier's location, activities to be performed and the length and value of contract and is reviewed on an annual basis per supplier. This process involves teams across the business including Global Security, Compliance, Data Protection and Legal, and will flag any risks associated with a supplier, including ethical concerns such as modern slavery risk (including child

labour). We follow a thorough risk assessment process which is aligned to international standards. If critical risks are identified, such as previous unlawful practices, we may not proceed with the contract

## RISK ASSESSMENT FOR NEW SOURCING COUNTRIES:

Dr. Martens has a thorough process for reviewing and approving new sourcing countries to ensure they are assessed for risks, including human rights and forced labour risks. Before placing production in a new country, we conduct a feasibility study review which includes a detailed country risk assessment. Risks are identified and prioritised and mitigation strategies are included in the proposal for any risks identified.



## SUPPLIER ONBOARDING:

Our supplier onboarding process is carried out before production starts to ensure our product suppliers meet our expectations. This process includes a self-assessment questionnaire, our third-party audit partner will conduct an audit which must meet the required standard, plus visits by our specialist CSR team.



## SUPPLIER MONITORING PROGRAMME:

We have an ongoing and established monitoring programme for factories in our supply chain, which is one mechanism we use to identify and address risks relating to modern slavery. The programme is run by our Global Supply Chain Quality and Compliance Team, which is comprised of experienced CSR professionals based across Europe and Asia. It is the foundation of our relationship with our suppliers in order to maintain fair and safe working conditions.

The Workplace Conditions Assessment (WCA) is the audit protocol conducted by Intertek, our specialist audit partner. The WCA monitors compliance with labour and environmental laws, regulations, industry standards and our own policies, such as our Supplier Code of Conduct. The frequency of audits is determined by the audit rating, which depends on the severity of any issues identified. We take a collaborative approach with the suppliers and, when issues are found, a corrective action plan is agreed to remedy non-conformances in a timely manner. We then carry out further follow-up checks to verify the corrective actions have been taken. Should a supplier fail to remediate issues identified by an audit, the supplier partnership is reviewed and may be ended. We also engage with worker trade unions in our supply chain to rectify issues where relevant. More details about the WCA can be found on our [website](#).

During FY23, 100% of our Tier 1 footwear suppliers were found to meet our high standards. We are also working to audit our Key Tier 2 suppliers. In FY23, all Key Tier 2 audited were found to meet our high standards in the WCA audits. For those Key Tier 2 we do not audit through the WCA in the year, we request the factory to provide a recognised social audit report within the last 12 months. No cases of forced labour or child labour were reported.

## RESPONSIBLE PURCHASING PRACTICES:

During FY23, we conducted extensive internal engagement in partnership with an expert third party to develop a Purchasing Practices Charter. Purchasing practices refer to the importance of commercial buying practices and supply chain management to sustainability. Good purchasing practices act as a safeguard for the fair treatment of workers and provide a healthy work environment and business relationship. The aim is to define responsible principles to uphold in our engagement with suppliers which:

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

The Charter builds on the responsible buying practices we have applied in the past and includes a focus on key areas such as production scheduling optimisation, forecasting and pricing. We continue to progress with this project through the incorporation of anonymous supplier feedback.

# TRAINING, COLLABORATION AND AWARENESS BUILDING:

## FORCED LABOUR AND ETHICAL TRADE E-LEARNING MODULE:

Education is a key pillar in our approach to tackling modern slavery. In FY23 we launched the Forced Labour And Ethical Trade e-learning module which is a bespoke training module available to all Dr. Martens employees. Initially this has been made available to all staff. Over the coming year, through a phased risk based approach it will be set to mandatory to certain departments across the business such as Distribution Management and Facilities. This short course provides an introduction to the issue of modern slavery and forced labour, the different forms of modern slavery, how to spot the signs, and what to do if there is a suspected case. So far, 346 employees have completed the module.



We have developed a bespoke Forced Labour and Ethical Trade e-learning module for our employees which is due to be rolled out in FY23.

## DR. MARTENS FOUNDATION PARTNERSHIPS TACKLING MODERN SLAVERY:

The Dr. Martens Foundation is an independent charity with a separate Board of Trustees. It receives the large majority of its funding from Dr. Martens Plc. The charity donates to causes tackling social injustices, including those tackling human rights violations such as modern slavery.

During FY23, the Foundation supported STOP THE TRAFFIK. STOP THE TRAFFIK apply innovative technology and intelligence tools to uncover trafficking routes and hotspots with the aim of preventing the recruitment of those vulnerable to being trafficked. A key way they do this is through their **STOP APP**, which allows people to confidentially report suspicions or incidents of human trafficking. The grant paid for enhancements to the STOP APP to increase intelligence gathered and audience engagement. The project successfully upgraded the language capabilities of the STOP APP, which enabled expansion into multiple new and emerging high-risk areas.

The Dr. Martens Foundation also supported the A21 Campaign, a global NGO with a mission to eradicate human trafficking through awareness, intervention, and trauma-informed holistic aftercare for survivors. Without adequate aftercare support, survivors remain vulnerable to re-trafficking. A21 Freedom Centres provide survivors with a safe place of acceptance where they have the freedom to restore wellness, reintegrate safely back



into society and live independently, which reduces their vulnerability to re-victimisation. The grants awarded enabled A21 to support more survivors with ongoing holistic care through their Freedom Centres in Bulgaria and Greece. The grants supported A21 Bulgaria to provide 30 survivors with individualised support tailored to their specific needs, with 15 survivors able to find employment. A21 Bulgaria reported a 50% increase in survivors being referred to the Freedom Centre. A21 Greece assisted 84 survivors through the Aftercare program in 2022, a 40% increase compared to 2021.

## EMPLOYEE ONBOARDING:

Human rights and modern slavery awareness is included in the onboarding process for new employees. The onboarding workshop includes a segment on modern slavery and an overview of our due diligence process across the supply chain. New employees are pointed to the modern slavery statement on our website for more information and the training available.

<sup>2</sup> Audit results of 75% or more, in line with Intertek Workplace Conditions Assessment scoring methodology.

<sup>3</sup> Audit results above 70% or more, in line with Intertek Workplace Conditions Assessment scoring methodology.



# PROGRESS:

This is a summary of the actions we have taken since the last Modern Slavery Statement and the areas we want to focus on next. For more information on each of these points, please see the detailed sections above:

Key area	Progress since last statement	Next steps
<b>+ MAPPING THE RISKS IN OUR SUPPLY CHAIN AND OPERATIONS</b>	Developed a Product Lifecycle Management (PLM) system. Once fully operational, this will deliver enhanced visibility across our product lifecycle (see page 78 of the FY23 Annual Report).	Continue to investigate a specific traceability mapping tool to monitor risks and opportunities across our supply chain.
<b>+ EDUCATION AND TRAINING</b>	Rolled out modern slavery e-learning training module to employees globally and tracked completion rates (page 10).  Continued to engage internal teams including Sourcing, Finance and Supply Planning, to develop a Supplier Charter to establish responsible purchasing principles (page 9).	Introduce the modern slavery e-learning module as mandatory to specific internal teams.  Roll out Purchasing Practices Charter to communicate and establish responsible purchasing principles.
<b>+ EXPAND AND IMPLEMENT BEST PRACTICE DUE DILIGENCE</b>	100% of Tier 1 suppliers and Key Tier 2 suppliers audited achieved our expected high standard in the Workplace Conditions Assessment (WCA) audits (page 9).  Conducted a Human Rights Risk Assessment of our business and supply chain (page 8).	Continue to monitor all Tier 1 and expand audit programme across Key Tier 2 suppliers.  Review outputs of the Human Rights Risk Assessment and kick off implementation plan to strengthen due diligence processes.
<b>+ COLLABORATION AND PARTNERSHIPS</b>	Continued to develop a Purchasing Practices Charter to establish responsible purchasing principles (page 9).  Conducted a Human Rights Risk Assessment of our business and supply chain (page 8).	Conclude and roll out Purchasing Practices Charter.  Review outputs of the Human Rights Risk Assessment and kick off implementation plan to strengthen due diligence processes.

Additional information about our Planet, Product, People sustainability strategy can be found on our website: [www.drmartensplc.com/sustainability](http://www.drmartensplc.com/sustainability)  
This statement was approved by the Board on [28/09/2023] and signed on its behalf by by [Kenny Wilson, CEO (28th September 2023)].