

Dr. Martens: Transparency in Supply Chains – Statement

Background

Airwair International Ltd is a footwear brand with headquarters in Wollaston, UK. Airwair International Ltd is part of the Dr Martens Airwair Group Ltd group of companies which has subsidiaries in the US, Hong Kong, Japan, Korea, France, Belgium and the Netherlands, as well as a wholly owned foreign enterprise in China.

Our business and supply chain

We own and operate a factory in the UK and we source finished footwear from China, Thailand, Vietnam, Lao and the Philippines. A key part of our strategy is to establish long-term relationships with a number of small partners in these countries, in many cases we have built up a relationship over many years. This allows us to have a deeper understanding of the issues our suppliers face and creates an environment of trust and transparency.

We also work directly with a large number of our second tier material and component suppliers across Asia, Europe and South America.

Our Commitments and Policies

This statement sets out the actions we have undertaken to understand the potential modern slavery risks related to our business, the steps and measures we have already put in place to mitigate against modern slavery in our own business and our supply chains, as well as some of the additional work that we plan to do.

Our employees

We comply with statutory employment legislation in each of the countries where we employ people. We recruit and select all of our own employees and determine the terms and conditions of their employment. Our employees are free to decide whether they work for us and if they accept the terms and conditions. As part of our recruitment process we undertake checks locally on all employees to verify their identity, age and eligibility to work in that country.

We sometimes use temporary labour in certain areas of our business to help us to manage seasonal peaks in workload (for example in our distribution centres in the UK and US) and we occasionally use third party recruitment agencies to provide this labour. When we do, the agencies are carefully selected and work under pre-agreed terms.

We aim to pay our employees a fair wage for the job they are doing and this will be at or above the legal minimum wage in the country in which they are employed.

Anti-Slavery and Human Trafficking Policy

To ensure that our own employees are aware of the risks of modern slavery and their obligations under the Modern Slavery Act, we have developed an Anti-Slavery and Human Trafficking Policy. Over the course of the next year we will be training key employees on the details of this policy. Alongside this work we will also be ensuring that all of our employees have received a copy of our whistleblowing policy that can be used as a mechanism to raise any concerns in relation to suspected breaches of our policy.

Key members of staff responsible for Airwair International Ltd compliance with the Modern Slavery Act have attended training sessions run by the Ethical Trading Initiative about the Act, as well as attending cross-industry transparency in supply chain seminars to share relevant experiences and best practice.

Supplier Code of Conduct

Our suppliers must adhere to and are audited upon our CSR Code of Conduct which has been in place since 2006. Our CSR Code of Conduct is based on the Ethical Trading Initiative Base Code and covers the following areas:

- Employment is freely chosen
- Freedom of association and the right to collective bargaining are respected
- Working conditions are safe and hygienic
- Child labour shall not be used

- Living wages are paid
- Working hours are not excessive
- No discrimination is practised
- Regular employment is provided
- No harsh or inhumane treatment is allowed

To provide further guidance to our suppliers we have added some additional information to our Code of Conduct document on what constitutes modern slavery/forced labour under the Modern Slavery Act.

All of our policies are issued to our first tier footwear suppliers on an annual basis for them to review, acknowledge and confirm compliance.

One of the main risks in sourcing from other countries is the use of subcontracting and homeworking. We have a policy in place with all of our first tier footwear suppliers that requires them to disclose any potential subcontracting or homeworking before going ahead so that we can review the proposed site.

As we work closely with our suppliers and understand their production processes to a high level of detail, the risk of any subcontracting or homeworking taking place without our knowledge is reduced.

Due diligence and auditing

A key part of our supply chain due diligence and compliance is carrying out detailed audits against our CSR Code of Conduct at all of our first tier footwear suppliers. These audits have been in place for a number of years. The audits are carried out by an independent third party company which specialises in this field and all of these audits involve talking to the workers both on-site and off-site, for example in restaurants and shops near to the factory. We also know and work directly with a large number of our second tier material and component suppliers.

We have our own Sourcing and Quality team based in Asia, which allows us to visit all of our first tier and most of our second tier suppliers in person on a regular basis. This again gives us invaluable insight into what is going on in our suppliers and should allow us to spot potential issues relating to modern slavery.

Most of the countries and regions we are operating in have been part of our supply chain for a number of years, so we believe we understand the risks that are present. When we move to a new country/region or become aware of any significant changes to our supply chain, we undertake various activities to assess potential risks. This includes:

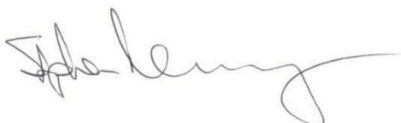
- Preliminary assessment visits
- Desk-based research
- Consultation with relevant third parties
- Full audit prior to commencing bulk production

At the time of writing this statement, all of our first tier footwear suppliers have been audited against our CSR Code of Conduct and no instances of modern slavery have been discovered.

Additional Information

Additional information can also be found on the social responsibility section of our website <http://www.drmartens.com/uk/social-responsibility>.

This statement was approved by the Board of Directors of Dr Martens Airwair Group Limited.

A handwritten signature in black ink, appearing to be 'John Henry', written in a cursive style.

Steve Murray

Chief Executive Officer

August 2016