

Global Environmental Policy

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BURBERRY

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OUR COMMITMENTS

We aim to minimise our environmental impact and help tackle global environmental challenges including climate change, biodiversity loss and deforestation.

General policy

We are committed to:

- regularly reviewing our environmental impacts, risks and opportunities across our own operations and value chain.
- setting and regularly updating our targets to drive improvement in our environmental performance.
- implementing environmental due diligence programmes across our own operations and supply chain to mitigate key environmental risks, including when considering a merger or acquisition.
- engaging employees and Business Associates in our environmental programmes through training and communications.
- quantifying, tracking and publicly reporting on our environmental performance including progress against targets.
- collaborating and working in partnership with others (including NGOs, governments and industry) to build understanding of and develop innovative solutions to environmental issues.
- aligning with external frameworks and publish an annual progress report on our contribution towards the United Nation's Sustainable Development Goals (SDGs).
- complying with applicable environmental regulations across the markets where we operate.

Material issues

Our material environmental issues include climate change, biodiversity, waste, water, chemicals and deforestation. We review the materiality of environmental issues on an ongoing basis.

Our [Responsible Raw Materials Sourcing Policy](#) covers our approach to sourcing more sustainable raw materials and packaging.

DEFINITIONS

“Business Associates” refers to any individual, entity, business, company, partnership or any other body or group associated with Burberry including, without limitation, any such individual, entity, business, company, partnership or any other body or group supplying products, goods, raw materials, components, services, real estate or anything else, directly or indirectly, to any member of the Burberry Group or otherwise working directly or indirectly with or on behalf of any member of the Burberry Group. This also includes any person (an “Indirect Supplier”) providing products, goods, raw materials, components, services or anything else to (i) a direct supplier of Burberry or any other member of the Burberry Group or (ii) any other Indirect Supplier.

Burberry Associates include, without limitation, the following:

- finished goods vendors

- raw material and/or component suppliers
- people or entities who carry out any processing on any goods directly or indirectly supplied to Burberry, including sites at which processing takes place
- non-stock vendors
- construction contractors (and their construction sites)
- franchisees
- licensees
- joint-venture partners
- consultants
- contractors
- wholesale customers
- service providers, including circular business model service platforms
- agents
- landlords, and
- any subcontractor of the above

Business Associates must comply with the Responsible Business Principles and such compliance is a condition of working with Burberry (whether directly or indirectly).

The term “consent limits” refers to the limits set out in local or national law.

“Conversion” means the loss of a natural ecosystem as a result of its replacement with agriculture or another land use, or due to a profound and sustained change in a natural ecosystem’s species composition, structure or function.

“Deforestation” means the loss of natural forest as a result of: (i) conversion to agriculture or other non-forest land use; (ii) conversion to a tree plantation; or (iii) severe and sustained degradation (even if the land is not subsequently used for a non-forest land use).

“Degradation” means changes within a natural ecosystem that significantly and negatively affect its species composition, structure, and/or function and reduce the ecosystem’s capacity to supply products, support biodiversity and/or deliver ecosystem services.

“Effluent” refers to the process water, which leaves the site at the final discharge point.

“Effluent treatment plant” or “ETP” refers to the plant where effluent is treated.

All references to a “Facility” apply to any Burberry site or Business Associate’s site.

“Greenhouse gas (GHG) emissions” refers to the gases causing the greenhouse effect.

“Nature Protection Legislation” means applicable deforestation, nature and habitat protection legislation, including but not limited to the EU Deforestation Regulation 2023 and all applicable corresponding, equivalent or implementing deforestation, nature and habitat protection laws globally to the extent they apply to the Business Associate, all as amended, re-enacted and/or replaced and in force from time to time.

SCOPE OF THE POLICY

The scope of this Policy covers our own business operations and our Business Associates.

IMPLEMENTATION

We will appoint a senior member of management responsible for the implementation of this Policy.

We are committed to working collaboratively with industry partners, Government organisations, Non-Governmental Organisations (NGOs) and trade unions to implement this Policy effectively.

We require our Business Associates to adhere to this Policy and to appoint a senior member of management responsible for implementation. Our Business Associates must also ensure that their own subcontractors and suppliers adhere to this Policy.

We may audit our Business Associates for compliance with this Policy at any time without prior notice and at our discretion. The audit may be carried out by us or any appointed third party nominated by us. The cost of any audit or site visit will be met by the Business Associate.

We require our Business Associates to immediately inform us if there are any potential breaches of this Policy or environmental legislation at any of their Facilities and to immediately develop a remediation plan and communicate this to us for approval. We will consider termination of the business relationship if they fail to address serious breaches of our Policy or environmental legislation.

CLIMATE CHANGE

We aim to become Net Zero across our entire value chain by 2040 and support the goals of the Paris Agreement to limit global temperature rise to 1.5 degrees Celsius above pre-industrial levels.

We are committed to:

- reducing our carbon emissions across our value chain (Scope 1, 2 and 3 emissions) to meet our science-based targets which follow a 1.5 degrees pathway and the SBTi’s Net-Zero Standard.
- regularly reviewing our climate change impacts, risks and opportunities in line with best practice including guidance from the Task Force on Climate Related Financial Disclosure.
- quantifying, tracking and publicly reporting our GHG emissions, consistent with standards and best practices in measurement and transparency.

- continuing to procure 100% of our own electricity from renewable sources and increasing use of onsite renewable electricity, where feasible.
- improving energy efficiency at our own sites including use of low energy LED lighting and energy monitoring systems, and working to decarbonise our heating systems.
- achieving green building certification for all new buildings to ensure high standards of energy efficiency. We require either LEED certification (Platinum or Gold level), BREEAM certification (Outstanding or Excellent level), or equivalent green building standards.
- engaging with logistics providers to reduce carbon emissions associated with logistics. We encourage logistics providers to reduce emissions through measures such as driver training and investment in low carbon and electric vehicles.
- reducing our carbon footprint from business travel. We encourage use of video conferencing whenever possible.
- reducing carbon emissions from purchased goods and services through measures such as increasing our use of recycled and organic materials (see further details in our [Responsible Raw Materials Sourcing Policy](#)), reducing excess fabric and textile waste and by prolonging the life of our products through the roll out of circular business models (see waste section on page 6).

BIODIVERSITY

We aim to protect, restore and regenerate nature across our value chain.

We are committed to:

- assessing our biodiversity impacts, dependencies, risks and opportunities in line with best practice, including guidance from the Taskforce on Nature-related financial Disclosures (TNFD).
- promoting biodiversity across our value chain by sourcing raw materials for our products that are certified to sustainability standards e.g. certified organic cotton helps to improve soil health and reduce the use of harmful chemicals (see further details in our [Responsible Raw Materials Sourcing Policy](#)).
- ensuring all our marketing campaigns and activities follow our Sustainability Principles for marketing and production, which include strict criteria on biodiversity risks, nature conservation, and local legislation.

All Business Associates must comply with the Nature Protection Legislation. In addition, Business Associates must ensure that materials used in our products, packaging and goods not for resale have not directly or indirectly caused or contributed to deforestation or forest degradation (as defined by (i) the Nature Protection Legislation or (ii) where the Nature Protection Legislation is not applicable to the Business Associate or the products, packaging or goods supplied to Burberry and/or where Burberry's definition is more stringent, by Burberry within this Policy).

Further measures with regards to specific high risk materials are set out in the Responsible Raw Materials Sourcing Policy on burberrypkc.com. These specific measures shall apply in addition to the above requirements.

WASTE

We aim to minimise resource use and reduce waste across our own operations and supply chain in line with the waste hierarchy which gives priority to waste prevention, followed by re-use, recycling, recovery and finally disposal.

We are committed to:

- minimising waste generated and maximising the proportion sent for reuse or recycling.
- quantifying, tracking and publicly reporting our waste and recycling progress.
- limiting the causes of waste across design, supply chain and merchandising, including optimising the procurement and utilisation of our materials and finished goods in order to reduce excess fabric and textile waste.
- helping create a more sustainable fashion industry through innovation on circular business models that aim to keep products and materials in use for longer, including aftercare services and rental services.
- contributing to a circular economy and supporting communities by donating excess raw materials and finished goods to fashion schools or charitable organisations around the world.
- reducing packaging waste (see packaging section on in our [Responsible Raw Materials Sourcing Policy](#))

Our Business Associates are required to:

- ensure no landfill or incineration (with or without energy recovery) of Burberry-owned unsaleable finished products.
- ensure hazardous waste is segregated and disposed of responsibly.
- ensure no unauthorised burning or other disposal of solid waste takes place on site.
- ensure only authorised contractors with a licence to do so should handle:
 - any waste that is treated;
 - non-hazardous and hazardous waste.

WATER

We aim to conserve water across our own operations and value chain.

We are committed to:

- regularly assessing water risks across our manufacturing value chain to drive supply chain resilience and responsible water use.
- regularly monitoring industrial and/ or domestic water consumption and wastewater volumes.
- reducing water consumption across our own operations.
- engaging with our Business Associates to raise awareness of our Water Conservation Principles and strategy.

- assessing the water resilience of our supply chain partners (including finished goods vendors and key raw material suppliers) and working to improve the resilience profile annually through partner engagement, capacity building and direct support.
- encouraging each Facility which carries out wet processing to seek to continuously improve their water management practices, including monitoring their water balance, implementing policies and procedures, setting water usage targets, promoting recycling and carrying out internal engagement.
- minimising water impacts associated with raw material production (see further details in our [Responsible Raw Materials Sourcing Policy](#)).
- complying with local water withdrawal and discharge restrictions across our own sites and supply chain.

CHEMICALS

We aim to ensure the safety of our people, planet and the products we create by implementing best practices for chemical management across our value chain.

Safe use of chemicals

We are committed to:

- promoting the safe use of chemicals in our value chain to ensure safer products and manufacturing processes.
- implementing, monitoring and continuously improving our Chemical Management System (CMS) and to implement the ZDHC Roadmap to Zero Guidelines, Tools and Platforms for Input, Process and Output focus areas.
- participating in the ZDHC Brands to Zero Leader Programme and implement the ZDHC Supplier to Zero (S2Z) programme across our value chain. We quantify, track and publicly report the % of direct value chain partners (finished goods vendors and raw material suppliers) that are certified to the S2Z programme.
- promoting the safe use of chemicals by restricting certain substances from both our products and manufacturing processes as set out in our Product Restricted Substances List (PRSL) and our Manufacturing Restricted Substances List (MRSL). These lists are regularly reviewed and updated and are available on our website at burberrypc.com. Our MRSL is fully aligned with the latest Zero Discharge of Hazardous Chemicals (ZDHC) list, with the addition of poly- and perfluorinated Chemicals, where Burberry's restrictions extends to all long and short Chain PFCs.

Our Business Associates are required to:

- comply with our PRSL and MRSL (as updated from time to time) and ensure that no substances are in concentrations higher than those specified. This applies to products supplied to us (including finished goods, components and raw materials) and manufacturing processes.
- comply with all applicable legislation in each country/state where the Business Associate conducts business and where the relevant Burberry goods are intended to be sold.

- to implement the ZDHC Roadmap to Zero and to have a Chemical Management System (CMS) in line with Burberry's Chemical Management Manual.

Effluent

We are committed to:

- adopting the ZDHC Wastewater Guidelines as the reference standard to be met by wet processing facilities involved in the manufacturing of our product
- requiring facilities to test effluent in accordance with the guidelines and disclose results on the ZDHC Gateway – Wastewater Module.

Our Business Associates are required to:

- ensuring that waste water/effluent across our value chain is treated in a fully functional effluent treatment plant (ETP) (in line with applicable legislation and consent limits) before being discharged to the environment.
- ensuring that facilities discharging effluent across our value chain maintain an emergency back-up plan including effluent holding tanks to cope with failures of the onsite ETP

Air emissions

We are committed to:

- ensuring that any air emissions are treated prior to release from any facility.

Our Business Associates are required to:

- maintain an inventory of all air emissions points within the Facility and the substances emitted from these.
- carry out independent testing for emissions discharge points and maintain records of such testing.
- ensure any harmful gases and particles are treated prior to release from any Facility.
- install air extraction devices where fumes are released directly into ambient air of any Facility.
- develop and implement a maintenance programme and operating procedure for any in-house air treatment facility.