

Burberry Water Position Statement

We operate strict guidelines regarding water usage, recognising that it is a precious resource.

In our own operations and supply chain, we seek to minimise water use by privileging water-efficient materials and tracking and promoting management practices and technologies that facilitate water recycling. We also use WWF's water risk assessment tool and the Aqueduct Water Risk Atlas to identify current and emerging risks. Our efforts have been recognised by the Carbon Disclosure Project (CDP), which rated Burberry A- for water security in 2020.

Going beyond our value chain, we advocate for change across our industry. As part of this, we support the [WWF's open letter](#) calling for businesses to ensure that sustainability remains front of mind after the pandemic, focusing on environmental impacts as a result of water consumption and pollution.

Raw materials

We use high-quality and sustainably sourced materials, promoting their use across our industry. Our latest raw materials [targets](#), designed to minimise our environmental footprint and create opportunities for our global communities, include water consumption in addition to impacts ranging from carbon emissions to biodiversity.

Manufacturing

Water conservation programme

We work closely with our supply chain partners, cultivating a culture of openness and transparency to understand and monitor our water impacts at the manufacturing stage of our value chain.

Through our Water Conservation Programme, we aim to improve our water resilience profile and reduce our water footprint and impacts. As part of the programme, we actively engage our third-party suppliers to evaluate their water practices and resilience, with a particular focus on wet processors such as dyehouses, tanneries and textile mills.

The requirements of the programme are weighted differently according to the type of activity that a facility undertakes. Key KPIs include¹:

- Water management (evaluated against best-in-class practices)
- Relative water usage (as a measure of efficiency)
- Absolute water usage (as a measure water saving potential)

¹KPIs considered within the risk assessment vary according to the specific manufacturing processes a supplier is carrying out.

- Basin water risk (as a measure of the specific physical, regulatory and cultural water situation at the site's location)

If we identify a facility with a combination of higher-than-average water risk, and lower than average water management, we work closely with them to co-develop strategies and plans to improve their water responsibility.

Water Effluents & Chemicals

We prohibit the use and release of unwanted chemicals. As a Board member of The ZDHC Foundation, we guide the Foundation's strategy, advising luxury peers, third party suppliers and external chemical experts on how to devise innovative solutions to ensure effective chemical management across the fashion and textiles industry.

We aim to eliminate the use of chemicals at all of our owned and third-party manufacturing facilities, including wet processors, going further than required international environmental and safety standards. We require all our supply chain partners (including third parties) to operate in line with the ZDHC's Manufacturing Restricted Substances List. We also work in line with the ZDHC's Wastewater Guidelines, ensuring that wet processors perform wastewater testing twice a year and publish the results on the ZDHC Gateway.

In the event of any non-compliance, we work with wet processors to perform a root cause analysis and implement a corrective action plan. We publish our findings annually on our plc website and set annual targets related to sites that have achieved progressive or aspirational ways of working.

We carry out testing of effluent and chemical formulations to prevent the use of harmful chemicals in our products and have developed a chemical inventory tool to prevent the use and discharge of unwanted chemicals. Our chemical management commitment includes the disclosure of chemical discharge at each facility in our supply chain.

Collaboration

We partner with industry associations, peers, academic organisations and other stakeholders to drive progress in water conservation and encourage and facilitate collaboration and knowledge-sharing in our partners' supply chains.

In January 2021, we launched a programme in partnership with the Apparel Impact Institute (Aii) to establish a platform for Italian manufacturers to coordinate, fund and scale environmental programmes with measurable impact. Working alongside two fellow luxury brand partners, the initiative demonstrates our shared ambition to pursue a collective mission to make fashion's supply chains more sustainable.

Water governance and reporting

We ensure that our water initiatives are embedded in the objectives and strategies at the highest level of our business, setting clear responsibilities for all teams linked to water management, such as supply chain management and raw materials sourcing.

We also clearly communicate our progress on our plc website and in our Annual Report, as well as through independent reports including CDP Water.