



Burberry Partner Progress Tool Use Guidance
June 2019

Introduction

The Burberry Partner Progress Tool (PPT) is a chemical management guidance and assessment tool to measure the implementation achievements within the facility and the supply chain. It consists of 29 Key Performance Indicators (KPI) grouped in three sections.

The PPT is used by Burberry to assess chemical management performance and to give guidance on areas of improvement. It is designed to be used by Burberry Partners with their own operations (self-assessment) and their upstream suppliers (subcontractors, raw material suppliers, wet processing sites) to measure performance.

Use of PPT

Partners are suggested to review their suppliers' performance at least 2 times a year.

If Partners have new suppliers then the PPT should be used immediately with them to form a risk assessment of the new supplier.

The preferred method of assessment is through site visits; where this is not possible, phone call assessment is acceptable, provided that adequate documentation (pictures, files, videos etc) to support their performance is supplied.

Burberry encourages joint visits between partners to their common suppliers to share and minimize duplication of efforts.

Scoring Explained

The PPT is comprised of 3 sections:

Section:	INTERNAL IMPLEMENTATION	UPSTREAM IMPLEMENTATION	DUE DILIGENCE PRODUCT TEST RESULTS
Scoring:	70%		30%

The 29 KPIs on internal and upstream implementation account for 70% of the overall score, due diligence testing results account for 30%. Internal implementation refers to chemical management requirements within a partner's own facility, and upstream implementation refers to chemical management efforts with raw material suppliers and subcontractors who provide raw material or perform processes.

Due diligence testing should be performed on finished product/raw material against the Burberry Product Restricted Substances List (PRSL)¹.

1

https://www.burberryplc.com/content/dam/burberry/corporate/Responsibility/Responsibility_docs/Policies_statements/Chemical_Management/2019/2019%20Burberry%20PRSL.pdf

The Final Score of the PPT is a percentage, with the following thresholds of performance:

Ranking	Score
Red	<50%
Amber	51 – 70%
Green, with additional performance recognised:	>71%
Bronze	75 – 80%
Silver	81 – 85%
Gold	>86%

Positive Attributes

Burberry's 5 Year Responsibility Strategy includes the target:

“Drive Positive Change Through All Products”

By 2022, 100% of Burberry products must have more than one positive social and/or environmental attribute².

For a product to achieve a Positive Attribute for Chemical Management, the product's finished goods vendor and main material supplier must have both been rated 'Green' for their chemical management practices for at least 6 months of the reporting year.

A product can only be considered for a positive attribute, if the supplier of the main material and the manufacturing facility involved in its production meet specific ethical trading and chemical management criteria. For example, if a facility does not meet a minimum score of 50% in Burberry's assessment of its chemical management, this will negate any other environmental or social improvements the facility may have made.

² <https://www.burberrypc.com/en/responsibility/creating-tomorrow-s-heritage.html>

Appendix

KPI	Score					Applicability				Weightage	Remarks
	0	1	2	3	4	A	B	C	D		
<u>1. Attitude</u>	Negative		Neutral	Positive	Proactive					3	<p>Negative = Shows little/no interest or engagement in Sustainable Manufacturing Low understanding of initiatives</p> <p>Neutral = Expressed interest in the involvement of the Chemical Manager Community Adopting some initiatives but not all</p> <p>Positive = Participation in the Chemical Manager Community Shows proactivity in the adoption of initiatives Transparent with Burberry/ other supply chain partners Regular communication with Burberry/ other supply chain partners</p> <p>Proactive = Active participation in the Chemical Manager Community, for example, acting as a Sustainable Manufacturing Champion Goes beyond expectations and leading the adoption of initiatives and targets and leading joint meetings Transparent and actively communicates with Burberry/ other supply chain partners Regular communication with Burberry/ other supply chain partners</p>
<u>2. Commitment</u>	No			Yes & shared with Burberry	Yes & shared with Burberry and other partners in the Supply Chain					1	<ul style="list-style-type: none"> - MRSL Commitments should be signed and documented [Appendix 2 of MRSL] - Each partner should share MRSL Commitments with other tiers of the supply chain both in upstream and downstream and this should be done with every MRSL update
<u>3. Appointment of Chemical Manager (CM)</u>	No	Chemical Manager formally appointed but not engaged	Chemical Manager formally appointed and engaged	Chemical Manager appointed and Trained	Chemical Manager appointed, trained and Qualified via 3rd party					1	<ul style="list-style-type: none"> - The Chemical Manager role should include a named point of contact and should be communicated to supply chain partners. It should be updated as the organisation changes (e.g. change of personnel) - The role should be documented in the company organisation chart with direct reporting line to Top Management - Engaged= directly involved in chemical management activities - Trained= informed and introduced to the CMS Manual and the PPT KPIs; (in person, via ZDHC qualified training attendance (e.g. Academy, Nimkartek), through joint visits with qualified CMs, etc.) - Qualified= has performed suppliers' or self-assessment and PPT score confirmed (with tolerance) through 3rd party audit (i.e. performed by a qualified auditor/CM)
<u>4. Burberry Ethical trade Chemical Questions</u>	If any of the ETA questions are answered "NO"				If all the ETA questions are answered "YES"					1	<ul style="list-style-type: none"> - If any ETA questions are answered "NO" the PPT final score will be decreased to the lower colour category (e.g from green to amber). Corrective actions must be implemented within 3 months
<u>5. Environmental Management System (EMS) in place</u>	No		Yes, self developed (no ISO certification)		Yes (with internationally recognised certification)					1	<p>The EMS should include Priorities, Goals, Actions for 3+ years and should also:</p> <ol style="list-style-type: none"> Address facility's significant environmental impacts and compliance obligations as prioritized in an environmental impact assessment Be supported by Factory leadership Be Communicated to all employees (documentation and/or employees interviews) <ul style="list-style-type: none"> - The strategy should include plans for achievement that detail: what will be done, what resources will be required, who will be responsible, when will it be completed, and how results will be evaluated - Accepted Environmental-related Certification includes, but is not limited to: Leather Working Group (2018), ISO 14001, EMAS, verified Higg FEM 3.0 level 2, STeP Level 2

KPI	Score					Applicability				Weightage	Remarks
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<u>6. Chemical Management System (CMS) in place</u>	No		Yes (basic documentation)		Yes (with system documentation, supported with actions and recognised certification/management system)					1	<p>Partner should use the ZDHC Chemical Management System (CMS) manual as a reference tool. Each organisation implementing a CMS needs to define the scope (boundaries) of their CMS by describing and documenting the extent of the supply chain to which the CMS applies. The scope may include only the organisation's specific operating units, or more broadly part or all its value chain. At a minimum, it is recommended that all production facilities or units are included in the CMS. A good chemical management system has several key elements (where relevant):</p> <ul style="list-style-type: none"> - Roles and Responsibilities - Policy Statement and MRSL Commitment - Risk Assessment of chemicals - Supply chain mapping and qualification - Supplier procurement practices and Chemical purchasing practices - Chemical Inventory - Storage and containment precautions - Communication of hazards - PPE Selection/ safe use procedures - Chemical Emergency Response plans - Hazardous waste disposal - Training Policy and Management <p>Accepted Chemical Management-related Certification and Tools includes, but is not limited to: Bluesign, STeP Level 2, 4Sustainability Advanced Level and other accepted current and future ZDHC Certifiers</p>
<u>7. Regulatory Monitoring Process</u>	No		Applicable regulatory identification in place and specific responsibility assigned to internal member of staff or outsourced and permits provided		Proactive regulatory monitoring with specific responsibility assigned and communication of any regulatory changes demonstrated (with documentation)					1	<p>Company shall have a business practice in place including the roles and responsibilities:</p> <p>(1) to address legal compliance with chemicals in products, as well as chemicals used in the input, process and output of the manufacturing facilities, and assign the applicable regulatory identification to a specific position(s) or team, or this can be outsourced</p> <p>(2) to identify and implement new or changing compliance requirements</p> <p>(3) Demonstrate legal compliance to Waste Water Regulations</p> <p>Proactive = ahead of regulatory enforcement</p>
<u>8. Communication of Commitment and Guidelines to Internals</u>	No		Initiated communication of commitment and guidelines internally	Communication of commitment and guidelines internally complete (no documentation)	Communication of commitment and guidelines internally complete (with documentation)					1	<ul style="list-style-type: none"> - The CMS and MRSL commitment should be communicated amongst all levels of the organisation. Top management should be informed of their roles in managing chemical and environmental impacts. This should include information about the hazards and risks associated with the existing chemical management approach, improvement goals and resources needed for the future. - Communication content can include information such as the number of hazardous chemicals and quantities, target and action dates to eliminate hazardous chemicals, MRSL commitment etc., and can be done in a variety of ways e.g. company meeting, email update, noticeboard, standard operating procedure (SOP) updates
<u>9. Training/Capacity Building of Internal staff</u>	No	Acknowledged but no action taken yet	(1) Initiated Internal Staff Training using ZDHC aligned content (2) Documentation of Training Session and Summary	(1) Completed Internal Staff Training using ZDHC aligned content (2) Documentation of Training Session and Summary	(1) Completed Internal Staff Training using ZDHC aligned content (2) Documentation of Training Session and Summary (3) Attendance to ZDHC Academy trainings					2	<ul style="list-style-type: none"> - Training must be conducted by the Chemical Manager on MRSL/RSL and CMS - Organisations should ensure that all relevant employees have a foundational knowledge regarding chemical management - The Chemical Manager should participate in ZDHC's sponsored training on chemicals management where possible through the ZDHC Academy training (and have documentation of training confirmation or certificate) - To ensure alignment to ZDHC content, please register for the ZDHC Academy at https://zdhc.fta-intl.org/login/index.php where previous training content from webinars is uploaded - Documentation of in-house training should include: <ul style="list-style-type: none"> a) Job descriptions of participant list b) Training records with names, date, duration, topic, brief description of what was trained, training agenda/trainer c) If it has been communicated to other Burberry partners

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<u>10. Documentation of All Sources of Burberry Production (RM & Processes)</u>	No	Acknowledgement of importance of Supply Chain Mapping with no documentation provided	1 - 30% Supply Chain Mapping documented and provided	31 - 60% Supply Chain Mapping documented and provided	>60% Supply Chain Mapping documented and provided					1	<ul style="list-style-type: none"> - Complete Mapping of Upstream Supply Chain of the last 12 months e.g. a vendor should include subcontractors, a converter should include sub-contractors, wet-processing, raw material suppliers) - % refers to: Spend or Volume in Metres, Kg, m² or units - Trace back one PO for evidence
<u>11. MRSL Communicated to Leather and Textiles Raw Materials Suppliers and Subcontractors</u>	No	MRSL Communicated to all RM Suppliers	MRSL Communication to all RM suppliers and commitment received for 1 - 30% of suppliers	MRSL Communication to all RM suppliers and commitment received for 31 - 60% of suppliers	MRSL Communication to all RM suppliers and commitment received for >60% of suppliers					2	<ul style="list-style-type: none"> - Upstream Supply Chain to be considered should be relevant to Burberry production - Communication examples include purchase orders, email signatures, emails - In-person communication must be documented - Updated versions of the MRSL must be communicated upon release - MRSL Commitment should be saved and document from Upstream Supply Chain after mapping has taken place
<u>12. Chemical Supplier Communication & ZDHC Chemical Gateway</u>	No	(1) MRSL communicated to all chemical suppliers and compliance letters/positive lists requested	(1) MRSL Communicated to all chemical suppliers and compliance letters/positive lists <u>received and documented</u> from some suppliers (1 - 75%) (2) Initiated invitations to the ZDHC Chemical Gateway	(1) MRSL Communicated to all chemical suppliers and compliance letters/positive lists <u>received and documented</u> from some suppliers (1 - 75%) (2) >50% of Chemical Suppliers registered on ZDHC Gateway	(1) MRSL Communication to Chemical Suppliers and compliance letters/positives lists <u>received and documented</u> from most suppliers (>75%) (2) >75% of Chemical Suppliers registered on the ZDHC Gateway					1	<ul style="list-style-type: none"> - Example of Positive List = MRSL Appendix 1 - Communication examples include purchase orders, email signatures, emails - In-person communication must be documented - Updated versions of the MRSL must be communicated upon release - To invite chemical suppliers to the ZDHC Chemical Gateway, please register for the ZDHC Chemical Gateway or invite chemical suppliers through Cleanchain functionality - If you have not yet received an invitation to join the ZDHC Chemical Gateway, please contact project2020@burberry.com or alternatively another member of the supply chain with a profile can invite you
<u>13. Ensure Traceability of Burberry Product Back to Process Recipes and Raw Materials Batches</u>	No	Acknowledgement to establish traceability system but no action taken yet	Commitment and deadline given to establish traceability system	Internal System of traceability in place (incomplete)	Internal System of traceability in place (with documentation)					1	<p>Supply chain partners who are using chemicals should ensure that all manufacturing process chemicals be traced from product batch number back to chemical batch number</p> <ul style="list-style-type: none"> a) Product batch card including batch number, dates and production quantity b) Recipe cards, chemical formulation sheets and process instructions containing traceable information (e.g. chemical name, lot number and available quantity) c) Chemical mixing/blending process log, lab records (e.g. colour lab, washing lab) d) Chemical storage log, including temporary/working storage and main warehouse with consistent records e.g. storage in/out log with chemical lot number, quantity and dates (stored and dispatched for usage) <ul style="list-style-type: none"> - For vendors, converter and dry-process partners who do not use chemicals in their own production, they should ensure that traceability covers point a) listed above - For Non-conformity resolution the information from point (a-d) should be considered
<u>14. Cleanchain Adoption/ZDHC Chemical Gateway</u>	No	Chemical User: Registration on ZDHC Chemical Gateway Non-Chemical User: N/A	Chemical User: Cleanchain Subscription without total disclosure Non-Chemical User: Registration on ZDHC Chemical Gateway		Chemical User: Cleanchain Subscription with regular disclosure of deliveries (chemical) through InCheck reports Non-Chemical User: Cleanchain Subscription					2	<ul style="list-style-type: none"> - This KPI is both relevant for non-wet processing sites and wet processing sites - InCheck Reports should be shared with Burberry through Cleanchain - Please contact project2020@burberry.com or your Burberry representative to register/ask for demo for Cleanchain

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<u>15. Live record of a Chemical Inventory</u>	No	(1) Incomplete Chemical Inventory	(1) Chemical Inventory created and <u>regularly maintained</u>							1	Chemical inventory requirements: a) Must include list of all chemicals used (considering the most recent annual year consumption) and suppliers of each chemical product (see MRSL Appendix 3) b) SDS must be available for all employees in local language c) Well marked, designated chemical storage - Regular maintenance refers to changes such as new chemicals purchased, deliveries etc. at a sensible cadence (monthly) - The Chemical Inventory should be a "speaking document" that is constantly in use in production and also includes commodity chemicals, industrial cleaning agents (doesn't include domestic agents)
<u>16. Chemical Formulation MRSL Conformity Level</u>	No	1 - 25% of Inventory meets MRSL Conformance Level 1 (Gateway) or ChemIQ ratings Green/ Yellow/ Orange	26 - 50% of Inventory meets MRSL Conformance Level 1 (Gateway) or ChemIQ ratings Green/ Yellow/ Orange	51-75% of Inventory meets MRSL Conformance Level 1 or above (Gateway) or ChemIQ ratings Green/ Yellow/ Orange	>75% of Inventory meets MRSL Conformance Level 1 or above (Gateway) or ChemIQ ratings Green/ Yellow/ Orange					3	- If a facility chooses not to use Cleanchain, it is a mandatory requirement that if performing ChemIQ testing, ChemIQ test results should be published on Cleanchain (anonymously). - If a facility disagrees to publishing ChemIQ results, then score must be capped at the score below the actual score e.g. if a partner scores Level 4 (>75% Inventory meets Level 1 or above or ChemIQ ratings Green/Yellow/Orange), the score cannot be higher than Level 3 - The requested Conformity Levels may change in the future - Score LR (Low Relevance) to vendor without chemical usage
<u>17. Suppliers and Subcontractor Review and Replacement Plan for Non-Compliant/Non-Committed Suppliers</u>	No	Acknowledged but no action taken yet	Supplier & Subcontractor review initiated with estimated date of completion provided	(1) Supplier & Subcontractor review completed (<u>with documentation</u>) (2) Results' from the review are included in purchasing decisions	(1) Suppliers & Subcontractor review completed (<u>with documentation</u>) (2) Results' from the review are included in purchasing decisions (3) Undergoing replacement with visibility to Burberry (<u>with documentation</u>)					1	- Review of suppliers and subcontractors must be done using the PPT Internal Implementation section [See Glossary for relevant Upstream suppliers] and replacement initiated if action plan for improvements is not implemented - Please share your findings with Burberry if you have phase out recommendations of Burberry nominated suppliers
<u>18. Established Approval Process to Procure Compliant Raw Material</u>	No	Acknowledged but no action taken yet	Approval process to procure compliant Raw Materials initiated (<u>no documentation</u>)	Approval process to procure compliant Raw Materials initiated (<u>with documentation</u>)	Approval process to procure compliant Raw Materials complete with visibility to Burberry (<u>with documentation</u>)					1	- Purchasing contract language to support sourcing PRSL compliant raw materials e.g. Purchase Order or invoice - Chemical Manager review and approval of Purchase Order
<u>19. Established Approval Process to Procure Compliant Chemicals</u>	No	Acknowledged but no action taken yet	Approval process to procure compliant Chemicals initiated (<u>no documentation</u>)		Approval process to procure compliant Chemicals complete with visibility to Burberry (<u>with documentation</u>)					1	Documentation: a) Demonstrate access to MRSL conformance level information (e.g. ZDHC Chemical Gateway, Cleanchain, Bluesign bluefinder) b) Chemical Inventory includes information on MRSL conformance level c) Purchasing contract language to support sourcing chemicals on MRSL Conformance Level e.g. Purchase Order or invoice d) Chemical Manager review and approval of Purchase Order
<u>20. Implementation of Raw Material (RM) Due Diligence Testing Program Against Burberry PRSL</u>	Random testing <u>without</u> the engagement of the RM suppliers and without a proper chemical risk assessment	Random testing <u>with</u> the engagement of the RM suppliers and with a proper chemical risk assessment <u>documented</u>		Basic testing program and basic risk assessment conducted with the engagement of the RM suppliers <u>documented</u>	Structured testing program based on supplier chemical risk assessment and mutually shared test reports with RM suppliers and Burberry <u>documented</u>					1	- Basic = based on few elements of risk (e.g. only volume, number of suppliers, etc.) - Structured = Partner should use Burberry DD Calculator, or a similar logical approach as reference for risk assessment or demonstrate a structured methodology in place - Any Burberry-relevant non-conformities should be communicated to Burberry/other supply chain partners where relevant and Root Cause Analysis (RCA) & Action Plan completed - Score LR (Low Relevance) to commission wet-process facility (e.g. commission dyer)

KPI	Score					Applicability				Weightage	Remarks
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<u>21. Implementation of Own End Product Due Diligence Testing Program and Communication of Non-Conformities to Burberry</u>	Random testing <u>without</u> the engagement of the RM suppliers and without a proper chemical risk assessment	Random testing <u>with</u> the engagement of the RM suppliers and with a proper chemical risk assessment documented		Basic testing program and basic risk assessment conducted with the engagement of the RM suppliers <u>documented</u>	Structured testing program based on supplier chemical risk assessment and mutually shared test reports with RM suppliers and Burberry <u>documented</u>					1	<ul style="list-style-type: none"> - Engagement = test results shared and reviewed with the supplier - Basic = based on few elements of risk (e.g. only volume, number of colours, etc.) - Structured = Partner should use Burberry DD Calculator, or a similar logical approach as reference for risk assessment or demonstrate a structured methodology in place - Any Burberry-relevant non-conformities should be communicated to Burberry/other supply chain partners where relevant and Root Cause Analysis (RCA) & Action Plan completed
<u>22. ZDHC Wastewater Guidelines (WWG) Internal Implementation</u>	Facility only testing for (and consistently meeting) legal requirements	Facility performing WW testing according to the ZDHC WWG with exceptions ¹	<p>(A) Facility performing testing and disclosure of WW according to ZDHC WWG</p> <p>(B) Direct Discharge: Meeting at least Foundational Level for all Conventional parameters (Ref. Table 1 of the WWG) & Detection of one or more MRSL parameters (Ref. Table 2A-N of the WWG)</p> <p>Indirect Discharge: Meeting Discharge Permit Requirements & Detection of one or more MRSL parameters (Ref. Table 2A-N of the WWG)</p> <p>(C) RCA & Action Plan² for improvement defined and documented</p>	<p>(A) Facility performing testing and disclosure of WW according to ZDHC WWG</p> <p>(B) Direct Discharge Meeting at least Progressive Level for all Conventional parameters (Ref. Table 1 of the WWG)</p> <p>No detection of MRSL parameters (Ref. Table 2A-N of the WWG)</p> <p>(C) RCA & Action Plan² for improvement defined and documented</p> <p>Indirect Discharge: N/A</p>	<p>(A) Facility performing testing and disclosure of WW according to ZDHC WWG</p> <p>(B) Direct Discharge: Consistently³ meeting Aspirational Level for all Conventional parameters (Ref. Table 1 of the WWG) and Consistently³ No detection of MRSL parameters (Ref. Table 2A-N of the WWG)</p> <p>Indirect Discharge: Consistently³ No detection of MRSL parameters</p>				2	<p>According to the ZDHC WWG, testing should be performed 2x year and results should be uploaded on the ZDHC Gateway Water Module by the deadline</p> <p>(¹) Exceptions = performing test once a year and/or not disclosure on the ZDHC Gateway</p> <p>(²) To document a RCA (Root Cause Analysis) & Action Plan, the facility can use the template available in the Gateway as example (1.Access to your Gateway profile, 2.download RCA&AP, 3.fill the document in following the instructions, 3.upload it again into the ZDHC Gateway).</p> <p>(³) Consistently: for more than 2 consecutive rounds</p> <p>For Conventional parameters = the target should be reaching Foundational then Progressive then Aspirational Level (for direct discharge only)</p> <p>For MRSL parameters = the target should be No detection of MRSL parameters (for both direct and indirect discharge)</p> <p>Always check conventional parameters results against your discharge permit</p> <p>This KPI is not applicable to tanneries until the final version of the ZDHC Wastewater Guidelines for Leather are released</p>	
<u>23. ZDHC Wastewater Guidelines (WWG) Upstream Implementation</u>	No	1 - 10 % of Suppliers perform WW testing according to ZDHC WWG and disclose results on the ZDHC Gateway	11- 30 % of Suppliers perform WW testing according to ZDHC WWG and disclose results on the ZDHC Gateway	31-60% of Suppliers perform WW testing according to ZDHC WWG and disclose results on the ZDHC Gateway	>60% of Suppliers perform WW testing according to ZDHC WWG and disclose results on the ZDHC Gateway					2	<ul style="list-style-type: none"> - According to the ZDHC WWG, testing should be performed 2x year and results should be uploaded on the ZDHC Gateway Water Module by the deadline - request supplier to share the ZDHC ClearStream report - % refers to: Spend or Volume in Metres, Kg, m² or Units <p>For vendors who work with tanneries, only textile suppliers should be considered when measuring the % of suppliers performing Wastewater testing.</p>

KPI	Score					Applicability				Weightage	Remarks
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<u>24. Water Conservation</u>	No measurement of water consumption	Measurement of water consumption (Overall process plant) Target set for water reduction Interest in exploring water conservation opportunities.	Identified water measurement points for individual machines/processes, Known consumption of l/kg or l/m2. Active Participation in water conservation initiatives.	Measurement of water consumption of individual process / machines. Identification of best available technology with working plan for installation of Best Available Technology for water conservation	Measurement of water consumption of all individual process / machines. Best available technology introduced for water conservation. Water recycling systems in place for process and ETP's and operational					2	If interested in Water Conservation initiatives, please contact project2020@burberry.com
<u>25. Air Emissions</u>	Facility only testing for (and consistently meeting) legal requirements		Facility has control devices or abatement processes for air emission and indoor air quality beyond legal requirements		Facility has implemented modern equipment to reduce or eliminate air emissions and indoor air quality far beyond legal requirements in relation to Nitrogen Oxides (Nox), Sulphur Oxides (Sox) and Particulate Matter (PM)					0	Not Applicable in 2019
<u>26. Engagement of Burberry-relevant suppliers to train, support and assess their chemical management against the PPT KPIs</u>	No	1 - 25%	26 - 50%	51-75%	>75%					10	% refers to: Spend or Volume in Metres, Kg, m ² or units This KPI is to cover the % of supply chain who have had a PPT Assessment; the assessment should be consequent to: - Relationship building and going beyond transactional communication e.g. visits - Training/Capacity building - Adoption of Cleanchain - Score LR (Low Relevance) to commission wet-process facility (e.g. commission dyer), to beamhouse and Fibre manufacturer
<u>27. Scores of Upstream Suppliers</u>	No	1 - 25% Green or Amber	26 - 50% Green, Amber, or higher	51-75% Green, Amber, or higher with no Red ratings (the remaining 25% would be "unrated") (at least 40% is green or above)	76-100% Green, Amber, or higher (at least 50% green or above)					5	- % refers to: Spend or Volume in Metres, Kg, m ² or units - This KPI is to cover how well the supply chain have performed against the PPT Assessment - Score LR (Low Relevance) to commission wet-process facility (e.g. commission dyer), to beamhouse and fibre manufacturer
<u>28. Implementation plan to continuously improve chemical management</u>	No	Continuous improvement plan initiated	Continuous improvement plan in place documented	(1) Continuous improvement plan in place documented (2) Self Audit Process Initiated	(1) Continuous improvement plan in place documented (2) Self Audit Process Initiated (3) Progress tracking regularly shared with Burberry					1	A chemical management implementation plan must not be static. As with any plan, there should be a review process to understand if the plan is on target or needs interim or major adjustment to meet any stated goal. For chemical management, the continuous improvement goal is to move beyond meeting minimum regulatory and industry expectations. Audits can be performed internally or through an external expert. Documented plan for achieving requirements: a) What has not been achieved and why b) People responsible and a targeted date for achieving requirements c) Description or examples of current chemistry R&D projects/investments d) Examples of how responsible chemistry has been incorporated into business agreements

Definition

Key	Type of Partner	Explanation	Examples
A	Vendor/Converter - Chemical Usage	<p>Vendor: Refers to a final or finished product manufacturing and assembling business entity that makes a final or finished product for selling to the consumer marketplace through a brand or retailer. Chemical Usage refers to vendors who have either: - Full integrated vertical operations - Partial integrated operations (e.g. Laundry, garment dye etc)</p> <p>Converter: A company that purchases semi-processed materials (or greige material) and transforms them into a finished material and has some of its own wet processes and some outsourced wet processes</p>	<p>Facilities with the following operations:</p> <ul style="list-style-type: none"> • Cut, make & trim (CMT) • Final product assembly • Wet processing such as Garment Dyeing, Laundry, Printing, Dying, Finishing, Tanning etc
B	Vendor/Converter/Agent/Supplier – Not using chemicals internally	<p>Vendor: Refers to a final or finished product manufacturing and assembling business entity that makes a final or finished product for selling to the consumer marketplace through a brand or retailer. Low impact chemical usage should be considered in this category</p> <p>Converter: A company that purchases semi-processed (or greige material) materials and transforms them into a finished material through outsourced wet processes</p> <p>Agent: A company who acts on behalf of another company, representing them to the brand/retailer, perhaps in another country.</p> <p>Supplier: Refers to raw material processing business entity that provides raw material such as woven or knitted greige fabrics or yarns, untreated hide which is then used by wet-processing Facilities/Suppliers in production of final material Incoming raw materials must and internal manufacturing MUST NOT INCLUDE WET PROCESSING</p>	<p>Vendor Facilities with the following operations:</p> <ul style="list-style-type: none"> • Cut, make & trim (CMT) • Final product assembly • No wet processing such as Laundry, Printing, Dying, Finishing, Tanning etc <p>Supplier facilities with the following operations:</p> <ul style="list-style-type: none"> • Raw hides • Raw polymers • Fibre manufacturing • Spinning of greige fibres • Weaving of greige yarns • Knitting of greige yarns • Trims & accessories
C	Supplier - using chemicals internally and procuring wet-processed materials	<p>A company who performs wet processes on raw materials, and purchases wet-processed materials, and/or subcontracts some wet-processes</p>	<p>Facilities performing one or more of the following processes:</p> <ul style="list-style-type: none"> • Dying • Garment washing, dyeing • Printing • Fabrics and leather coating • Tanning and re-tanning • Fabric/Leather Finishing • Spinner that procures dyed fibres • procuring wet-processed raw materials
D	Supplier - using chemicals internally and processing raw materials that have not been wet processed/Suppliers that perform wet processes on commission	<p>Commission: A company who is assigned to perform a process for another company, and has no control over the procurement of incoming material e.g. a dyehouse who receives ecru yarn from a weaving mill, dyes the yarn, and sends the yarn back to the weaving mill</p> <p>Beamhouse: A company who tans raw/salted hides</p> <p>Fibre: A company who wet-processes untreated raw materials</p> <p>Polymer: A company who transforms synthetic raw material into filaments, staple fibres, films or coatings</p>	<p>Examples:</p> <ul style="list-style-type: none"> • Wool scouring • commission dyeing/printing • Beamhouse • Top/fibres dyeing

Glossary

Article: Refers to style or material

Chemical Manager Community: Community of Chemical Managers (related to Vendors and Suppliers) that receives monthly updates on Chemical Management activities and that participates in training and sharing of initiatives

Chemical Manager (CM): Assigned person with responsibility for implementing Chemical Management

CMS: Chemical Management System

ETA: Ethical Trade Audit

MRSL: Manufacturing Restricted Substance List

PRSL: Product Restricted Substance List

RM: Raw Material

Root Cause Analysis (RCA): Method of problem solving, by identifying the cause of the failure and why it is happening

Sustainable Manufacturing Champion: Chemical managers who become specialists in a given topic/theme e.g. Partner Progress Tool, ChemIQ, Wastewater

Wet Process: Any manufacturing process that make use of water in association with chemicals such as: Garment Dyeing, Laundering, Printing, Dying, Finishing, Tanning etc and that discharges waste water (special cases: digital printing is a wet process when the preparation and the fixation are performed in the same facility; placement print is a wet process when the facility discharges waste water for example from screen/cylinder washing).

WW: Wastewater

ZDHC WWG: ZDHC Wastewater Guidelines

ZDHC: Zero Discharge Hazardous Chemicals