

## **BURBERRY HUMAN RIGHTS POLICY**

### **OUR COMMITMENT**

We are committed to respecting and safeguarding the human rights of all the people whose lives are directly or indirectly impacted by Burberry. Our people are our greatest asset and we therefore strive to attract talent, provide continuous development opportunities, recognise performance, ensure a safe working environment and promote employee health and wellbeing. We are also committed to inspiring sustainable action and make meaningful and lasting improvements to employment practices and workplace conditions across our supply chain. Finally, we place the highest importance on customer safety, welfare and respect, whether that be through their enjoyment of Burberry products or through their engagement with the company in our stores or otherwise.

The Human Rights Policy details the procedures we have put in place to protect and uphold human rights wherever we operate, including the mechanisms we use to identify and address any instances of potential infringement that may arise in connection with Burberry's operations and activities.

We are committed to, and require all our supply chain partners to commit to, respecting and upholding the human rights principles set out in:

- The International Bill of Human Rights (for example in relation to just and favourable conditions of work, the health and safety of workers and their right to water and sanitation),
- The Universal Declaration of Human Rights,
- The International Labour Organisation's (ILO) Core Conventions,
- The ILO's Declaration on Fundamental Principles and Rights at Work\*,
- The UN Guiding Principles on Business and Human Rights, and
- The ILO Conventions on Labour Standards on Working Hours.

We are also members of the Ethical Trading Initiative and a signatory of the UN Global Compact and have committed to respecting its 10 responsible business principles.

We recognise the importance of collaboration in driving long-lasting positive change. We therefore work with supply chain partners, civil society, governments and other businesses to inform our approach, share key insights, help address root causes of human rights impacts and together work to achieve positive systemic change.

### **HOW DOES BURBERRY IMPACT HUMAN RIGHTS?**

To identify the principal human rights risks that might arise during our business activities, we have conducted a review of our operations and activities (direct and indirect) and the impacts they may have on human rights. This is known as a Human Rights Impact Assessment. As part of this assessment, we have identified the human rights of four key stakeholder groups to be where Burberry's principal duties lie:

- Our People
- Supply chain workers
- Communities where Burberry operates
- Burberry customers

Through the implementation of policies and tools, such as our Ethical Trading Programme in our global supply chain, we are aware that human rights risks may be disproportionately found within groups of vulnerable workforces. We therefore developed tailored policies to address the rights and needs of our supply chain workers, including migrant and homebased workers. In addition, we have equal opportunity and anti-harassment policies in place across our operations.

Burberry's Ethical Trading Code of Conduct and Migrant Worker Policy can be found [here](#).

## **BURBERRY HUMAN RIGHTS STANDARDS**

### **Core standards**

1. Burberry and its operations will take all necessary steps to respect the human rights of those stakeholder groups outlined on page 1 of this policy, by establishing and embedding relevant policies and tools.
2. Burberry will take the necessary steps to respect human rights through the effective and consistent implementation of the Burberry policies and tools.
3. Burberry will put in place grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continued learning, and based on engagement and dialogue, in order that human rights violations can be identified, addressed and remedied wherever they may occur.
4. All grievance mechanisms will be tested against the above standard.
5. Burberry will educate its people on human rights and support them in their efforts to comply with the Policy.
6. Burberry will engage, where relevant, in multi-stakeholder dialogue on the issue of human rights and is committed to engaging with potential or affected stakeholders and their representatives through its Human Rights Impact Assessments and Ethical Trading Programme.

### **Monitoring, reporting and assessment**

7. Burberry will monitor human rights impacts on an ongoing basis, e.g. through the implementation of the Burberry Ethical Trading Code of Conduct through the company's Ethical Trading Programme, which covers all finished goods manufacturing facilities, their subcontractors and key raw material suppliers.
8. Burberry will review its Human Rights Impact Assessment every 2 years, to ensure the approach remains relevant, effective and captures any emerging risks in relation to new operations and projects.
9. Burberry will review findings of the Ethical Trading Programme and Human Rights Impact Assessments to evaluate the effectiveness of the Policy and update the Policy, tools and processes as required.
10. Key areas of risk will be reported to the Burberry Ethics Committee as they arise. If there are any changes in risk levels or new and emerging risks identified, these will be reported to the Burberry Risk Committee on a half yearly basis.

## HOW WILL WE ACHIEVE OUR COMMITMENT TO HUMAN RIGHTS?

Through Human Rights Impact Assessments conducted with Ergon, a specialist human rights consultancy, we found that to uphold human rights we needed firstly robust operating *policies and tools*, secondly a mechanism to ensure consistent *implementation and adherence*, and thirdly, appropriate *grievance mechanisms* to remedy human rights infringements and prevent any further incidents. Together, these mechanisms represent the system we have in place to uphold human rights across our operations.

### 1) POLICIES AND TOOLS

We have the following operational policies, tools and programmes in place to protect the human rights of the four stakeholder groups identified on page 1:

<i>To protect our people</i>	<i>To protect workers in the supply chain</i>	<i>To protect our communities</i>	<i>To protect our customers</i>
Code of Ethical Business Principles	Ethical Trading Programme and Ethical Trading Code of Conduct	Local Stakeholder Engagement Policy	Customer Welfare Incident Policy
Anti-Bribery and Anti-Corruption Policy	Migrant Worker Policy	Community Investment Programme	Burberry Customer Experience training for Burberry employees
Equal Opportunities and Anti-Harassment Policy	Partner Non-Compliance Policy	Global Environmental Policy	Product safety policies and appropriate product labeling
Global Human Resources Policies and Ways of Working	Anti-Bribery and Anti-Corruption Policy	Traceability systems	Global Health and Safety Policy
Global Health and Safety Policy	Homeworker Policy		Equal Opportunities and Anti-harassment Policy for store staff
Grievance Procedures and Disciplinary Policy	Model Wellbeing Policy		Grievance Procedures and Disciplinary Policy for store staff
Burberry Confidential <sup>2</sup>	Confidential, NGO run worker hotlines <sup>1</sup>		Customer Services

<sup>1</sup> Confidential, NGO-run hotlines are provided for workers in our supply chain where local labour laws are weak, absent or poorly enforced. Workers can contact the hotlines using phone, Skype or QQ (free instant messaging). Hotlines are used to communicate grievances, as a counselling line, and/ or to seek advice on labour rights. The contracted hotline service provider directly trains workers in factories in how to use the hotline.

<sup>2</sup> Burberry Confidential is a helpline and web service managed by an independent company called 'InTouch', allowing employees to report, anonymously, any concerns relating to malpractice, with all cases treated in the strictest confidence. Burberry expects its suppliers to have similar mechanisms in place to allow workers to anonymously raise concerns and grievances.

## **2) IMPLEMENTATION AND ADHERENCE**

The implementation of policies and tools is supported by specific training modules as well as effective disciplinary procedures.

### ***Our People***

The human rights of our people are protected through the activities of our global and regional Human Resources and Health & Safety teams, who follow and implement the policies outlined above.

Policies are kept centrally and can be accessed at any time on Burberry's intranet. Key departments and individuals will be supported in their roles by members of the Responsibility team to ensure compliance with the Policy.

### ***Supply chain workers and communities***

To uphold Human Rights across our supply chain, we require our network of business associates and extended supply chain partners to comply with our Responsible Business Principles ("the Principles") (formerly known as the Ethical Trading Policy).

The development of the Principles has been informed by our longstanding membership of the United Nations Global Compact and the Ethical Trading Initiative (ETI). The Principles are underpinned by the United Nations Universal Declaration of Human Rights and the Fundamental Conventions of the International Labour Organization, and are aligned with the Ethical Trading Initiative Base Code. The Principles apply to all our business associates, which include, but are not limited to: finished goods vendors, raw material suppliers, non-stock suppliers, construction contractors, licensees and franchisees.

To promote Human Rights across our direct and indirect operations, we require our network of business associates and extended supply chain to comply with the Burberry Ethical Trading Code of Conduct, which includes, amongst other, a requirement to provide safe working conditions, not to discriminate workers on any grounds, right to freedom of association and right to regular employment.

The Burberry Responsibility team, in partnership with commercial teams, are responsible for the implementation of the Burberry Ethical Trading Code of Conduct through the Ethical Trading Programme, which is in place to ensure that the human rights of people working in our supply chain are respected. We recognise this responsibility globally and especially in locations where human rights, labour and environmental standards are absent, weak, or poorly enforced. We also acknowledge and respect different national cultures, with their own laws, norms and traditions.

Our Code of Conduct applies throughout the supply chain, from finished goods vendors to raw material suppliers (e.g. at farm level) and we continue to map our supply chains and increase traceability to address, amongst other things, human rights risks further upstream in the supply chain.

### ***Customers***

Customers interact with several Burberry departments, both directly and indirectly. Burberry staff are trained to protect customer safety and welfare in a professional manner. Teams responsible for product safety follow strict company policies.

## **3) GRIEVANCE MECHANISMS**

Grievance mechanisms should be legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continue learning, and based on engagement and dialogue.

Grievance mechanisms are used to both inform and implement future policy, to ensure developments are relevant and appropriate and that human rights violations are not replicated nor deteriorate. We prohibit retaliation against anyone raising a complaint and any other stakeholders for raising human rights related concerns.

## ***Our People***

Our people are entitled to seek remedy in the case of perceived infringements of their human rights.

We have a written Grievance Procedure in place, should any of our employees require formal remedy, and our people are entitled to the right and freedom of union membership and the right to collective bargaining.

In addition, a confidential helpline “Burberry Confidential” is available to all our employees. This is communicated to our employees on commencing employment with Burberry, as part of a comprehensive onboarding programme, is subject to frequent recommunication and details of the number to call are available on all employee identity cards.

Any grievances made are logged and processed, with outcomes formally recorded.

The effectiveness of the hotlines is continuously reviewed with internal and external stakeholders, including workers.

## ***Supply chain***

Through our Ethical Trading Programme, we uphold the right of workers in our supply chain to freely join a trade union. We also require factories to provide a grievance mechanism that is communicated to, understood by and applied fairly to their employees. This is verified as part of our supply chain audit programme, with audits conducted at finished goods manufacturers, subcontractors, supporting facilities and raw material suppliers on a regular basis.

In countries where grievance systems, such as independent trade unions or collective bargaining, are not permitted or supported, or in the case where vulnerable workers may not have access to effective systems of recourse, we sponsor a free, NGO-run, confidential hotline.

Any grievances made through Burberry sponsored systems are logged and processed, with outcomes formally recorded. Through our Ethical Trading Code of Conduct we work with our suppliers to support them in ensuring their grievance mechanisms are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continue learning, and based on engagement and dialogue. The effectiveness of hotlines is continuously reviewed with internal and external stakeholders, including workers. We expect our suppliers to prohibit any retaliation against workers and other stakeholders for raising human rights related concerns.

## ***Communities***

We are committed to respecting the human rights of the people in the local communities in which we operate, such as the local communities surrounding our stores, offices and distribution centers. Our Local Stakeholder Engagement Policy sets out the procedure to be followed when a local stakeholder reports an issue or risk that has arisen associated with Burberry operations or activities.

We are also committed to respecting the human rights of the local communities surrounding our supply chain. Demonstrating our commitment to communities, in 2017 we launched our 5-year Responsibility strategy, including the goal to positively impact the lives of one million people in the communities that sustain our industry by 2022.

## ***Customers***

Customers can report any issue regarding product or customer experience to our global, 24-hour customer service team.

Any grievances made are logged and processed, with outcomes formally recorded.

#### 4) HOW DOES THIS WORK IN PRACTICE?

##### EXAMPLE OF GRIEVANCE MECHANISMS IN RELATION TO DISCRIMINATION

The table below gives an example of the policies and processes in place for dealing with cases of discrimination.

	<b>Our People</b>	<b>Supply chain</b>	<b>Communities</b>	<b>Customers</b>
<b>Potential human rights violation</b>	A Burberry employee feels he/she is being discriminated against	Workers in the supply chain feel discriminated against	A local stakeholder feel he/she is discriminated against	A customer faces discrimination in store by retail staff
<b>Applicable policies and tools</b>	Equal Opportunities and Anti-harassment Policy Disciplinary Policy Burberry Confidential	Ethical Trading Code of Conduct (no-discrimination standard) Partner Non-Compliance Policy, applied as last resort to non-complying factories Migrant Worker Policy	Local Stakeholder Engagement Policy	Customer Welfare Incident Policy Disciplinary Policy
<b>Implementation</b>	All workers are made aware of the above policies and are made available via Burberry's online intranet	All factories commit to compliance to the Ethical Trading Code of Conduct, monitored through Ethical Trading Programme	Burberry follows its Local Stakeholder Engagement Policy and separate Procedure document and logs the issue on its internal tracking and monitoring system	Regular training to store staff (including sales associates and security teams) of policies and processes
<b>Grievance mechanism</b>	Burberry Grievance Procedure	Internal factory grievance systems Ethical Trading Programme (interview during audits) Non-profit Confidential worker hotline	Corporate Responsibility email contact available on <a href="http://www.burberrypc.com">www.burberrypc.com</a> Customer Services	Customer Services

#### 5) REMEDY

We are committed to remedy any adverse impacts on individuals, workers and communities that we have caused or contributed to and recognise this should not obstruct access to any other remedies. Additionally, we are committed to working with our business associates to remedy adverse impacts which are directly linked to our operations, products or services and through collaborating with third-party NGOs or civil society as required. The affected stakeholders of any human rights concern will remain our foremost priority.

## **RESPONSIBILITIES AND REVIEW**

Overall approval and responsibility for this Policy resides with Burberry's Chief Executive Officer, Marco Gobetti.

The implementation of Human and Labour Rights is overseen by the Chair of the Ethics Committee, who has operational responsibility for human and labour rights and reports into the CEO and the Board.

We will regularly solicit stakeholder input on the application of our policies through our membership of the tri-partite Ethical Trading Initiative and through additional multi-stakeholder dialogue on a case by case basis.

We also seek the advice of the Ethics Committee together with Burberry Responsibility Advisory Committee, which meets quarterly and comprises external expert stakeholders from NGOs, social enterprise and academia, to ensure we stay focused on the most material issues and drive positive impact for the long term.

Burberry's Human Rights Policy sets out our commitment to respect and safeguard the human rights of our extended global community including our people, people in our supply chain, our communities and customers. The Policy sets out the procedures we have in place to protect and uphold human rights. However, we remain vigilant, informed and regularly review new forms of best practice to be included in this Policy.

## ANNEX 1

### SCOPE AND STANDARDS OF REPORTING

The Policy covers our people working in all locations in which Burberry operates, including manufacturing facilities, offices and retail locations as well as extending to cover the supply chain and our online and in-store customers. The Policy sets out the Human Rights standards that Burberry strives to adhere to, as well as the mechanisms for remedy.

All Burberry entities and supply chain partners are expected to comply with all applicable laws and human rights standards included in this Policy.

\*The eight fundamental Conventions areas are as follows:

1. Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
2. Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
3. Forced Labour Convention, 1930 (No. 29)
4. Abolition of Forced Labour Convention, 1957 (No. 105)
5. Minimum Age Convention, 1973 (No. 138)
6. Worst Forms of Child Labour Convention, 1999 (No. 182)
7. Equal Remuneration Convention, 1951 (No. 100)
8. Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

### DEFINITIONS

“**Human Rights**” are defined as all those rights set out in the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the Core Conventions of the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work.

“**Our people**” is defined as people directly employed by Burberry either permanently or for a fixed term, people engaged on a contractor, agency worker or freelance basis, or otherwise working on Burberry premises.

“**Supply chain**” is defined as local and international organisations and those involved in the production of Burberry goods at all stages of manufacture, raw material processing and production.

All references to “**operations**” include Burberry’s wholly or partially owned entities.

Any reference to “**communities**” applies to those individuals and communities who are either directly or indirectly impacted by their relationship with Burberry or its extended supply chain.

“**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
- all production sites of any Business Associate
- non-stock vendors
- construction contractors (and their construction sites)

- franchisees
- licensees
- joint-venture partners
- consultants
- contractors
- wholesale customers
- service providers
- agents
- landlords, and
- any subcontractor of the above.