

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

CREATIVITY OPENS SPACES

Our commitment to environmental and social responsibility is the purest expression of our purpose and values.



At Burberry, our purpose underpins the choices we make as an organisation. Enshrined in the statement Creativity Opens Spaces, our purpose is the shared belief that through creativity, we can push boundaries and explore new possibilities for our people, our customers and our communities.

We recognise that the long-term success of our business depends on investing in the environmental sustainability of our operations, the resilience of our supply chains and our management of climate change impacts. Our future depends on it.

During FY 2021/22, we undertook an ESG materiality assessment review to identify the most material risks and opportunities for the business. This included assessing environmental and social topics based on their importance to our stakeholders and their impact on Burberry, and determining which topics were most material for Burberry. We also reviewed the Group's governance of ESG topics to ensure appropriate oversight of ESG risks and opportunities.

This work has informed the evolution of our ESG ambitions. Drawing on this, and guided by our heritage and purpose, we are pushing boundaries, setting leading standards and pioneering innovative solutions to help transform our industry.

Read more in this report about how we are driving positive change:

Creating Tomorrow's Heritage: Progress on our 2017-2022 strategy

[\(pages 58 to 83\)](#)

- **Company**
- **Product**
- **Communities**

The Burberry Foundation

[\(page 82\)](#)

Our People

[\(pages 84 to 91\)](#)

Burberry Beyond: The evolution of our ESG strategy

[\(pages 92 to 95\)](#)



RECOGNITION

In FY 2021/22, we were recognised for our achievements in environmental and social responsibility

FTSE4Good Index: constituent

CDP: ranked in the Leadership band for climate change and recognised in the CDP Supplier Engagement Leaderboard

MSCI: AAA Rating

S&P Global: Yearbook Member

Responsibility100 Index: ranked 10th in the FTSE 100

Finance for the Future Sustainability Awards: winner of the Climate Leader Award in 2021

Reuters Responsible Business Awards: highly commended in the Net Zero Transition Award category in 2022

Bloomberg Gender-Equality Index 2022: recognised for the second consecutive year

FTSE Women Leaders Report: named a Best Performer

UNFCCC: member of the UN's Fashion Industry Charter for Climate Action (UNFCCC)

European Women on Boards Gender Equality Index: recognised as a Best Practice Leader

INITIATIVES AND FORUMS

As a member of several leading forums, we share our experiences and collaborate with third parties in order to adopt more sustainable ways of working while learning from innovators within and outside our industry. These forums include:



A4S Accounting for Sustainability



RE100



The Fashion Pact



Canopy



Science Based Target Network



The Living Wage Foundation and the Global Living Wage Initiative



Leather Working Group



Textile Exchange



The ZDHC Foundation



Race to Zero

Governance

Environmental and social responsibility is an essential element of Burberry's strategy for which the Board is responsible. The Board is also responsible for ensuring its approach to ESG topics is integrated into, and implemented across, the business. The governance framework of committees and advisory forums provide updates and key information to the Board to ensure it is able to make informed decisions. Our governance framework is outlined in the corporate governance statement on page 167. The Board receives updates on priorities relating to the environment, people, supply chain, communities, sustainable finance and communications regularly.

In FY 2019/20, a Sustainability Steering Committee chaired by the CEO was established to review and oversee the Group's strategy on environmental and social issues. During FY 2021/22, we reviewed the governance of ESG topics. As part of this review, the Sustainability Steering Committee evolved to the Sustainability Committee, which will meet four times a year and is co-chaired by the CEO and the Chief Operating and Financial Officer (CO&FO). The Sustainability Committee will report to the Board at least twice a year to enhance the Board's monitoring of progress.

The Chief Supply Chain Officer, the Chief People Officer, the Head of Ready-to-Wear, General Counsel, Senior Vice President Strategy, Vice President Corporate Responsibility and Senior Vice President Corporate Relations and Engagement are also members of the Sustainability Committee. Senior leaders are responsible for ensuring all decisions are taken with environmental and social impacts in mind.

The Company has a cross-functional working group responsible for delivering the recommendations of the TCFD and evolving the Company's TCFD disclosures. The TCFD working group includes members from the Risk Management, Finance and Corporate Responsibility teams, and reports to the Risk Committee, which is chaired by the CO&FO.

The Ethics Committee covers topics relating to ethics, compliance, environment and communities, and reports to the Audit Committee.

The remuneration of the Executive Directors is partly linked to our progress in building a more sustainable future, including progress towards the Group's Responsibility goals. More details of this are set out in the Directors' Remuneration Report on pages 186 to 213.

External assurance of corporate responsibility disclosures

Burberry appointed PricewaterhouseCoopers LLP (PwC) to provide limited assurance over selected company, product and community information for FY 2021/22. Information subject to assurance is denoted with a ^ on pages 41, 61, 63, 66, 67 and 72. PwC's assurance report and Burberry's basis of reporting for assured data are available on burberryplc.com/en/responsibility/approach-to-responsibility.html.

Our contribution to the United Nation's Sustainable Development Goals (SDGs)

Committed to a decade of action

Burberry's commitment to environmental and social responsibility is longstanding, grounded in the belief that for sustainable growth we need to stay responsive to the challenges facing the luxury industry and beyond. In line with the United Nations' plan of action for people, planet and prosperity, we are dedicated to enabling social progress and reducing our environmental footprint. We work with a wide range of stakeholders, including our peers, sector experts, supply chain communities and non-governmental organisations (NGOs) to help us achieve our ambitions and address the challenges that threaten the environment and the prosperity of our communities.

Our programmes are aligned to the Paris Climate Agreement, the UN Global Compact and UN Guiding Principles on Business and Human Rights, and informed by the SDGs. As part of the United Nations' 2030 agenda, we are committed to focusing action on driving change via the Global Goals. The Goals that we are actively contributing to are detailed across page 61.

“WE WORK WITH A WIDE RANGE OF STAKEHOLDERS TO ADDRESS THE CHALLENGES THAT THREATEN THE ENVIRONMENT AND THE PROSPERITY OF OUR COMMUNITIES.”