

BURBERRY GLOBAL ENVIRONMENTAL POLICY

OUR COMMITMENT

As a company we are committed to respecting the environment, minimising our environmental impact, and to reducing the speed of climate change and resource depletion through our global sustainability programme.

SCOPE OF POLICY

In 2012 Burberry commissioned an independent assessment of its environmental impact which measured the CO₂ impacts arising from materials, energy, water, chemical inputs and waste, across all areas of Burberry's business and its supply chain. This enabled the identification of risks and priority areas for the business to focus reduction efforts at a regional, functional and raw material level.

This Policy is mandatory and applies to all of our own and Business Associates' activities.

DEFINITIONS

"Business Associates" as defined in the Burberry Responsible Business Principles.

All references to a "Facility" apply to any Burberry site or Business Associate's site.

"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.

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

OUR ENVIRONMENTAL STANDARDS

Burberry's activities have wide ranging dependence and impact on the environment; managing, reducing and even eliminating these is important to our global success. Our environmental policy directly supports one of the themes in our business strategy: *Operational Excellence*.

Burberry will:

- Set targets and objectives for the business to drive continuous improvement in our performance.
- Educate our employees on the importance of this policy and provide them with the skills and support they need to implement it.
- Comply with or exceed relevant legislative requirements. Where these are inadequate we will aim to set our own standards.

- Develop and implement a set of procedures to monitor, control and review where and how we are having an environmental impact and to make changes where necessary.
- Encourage all Business Associates to recognise their environmental responsibilities, offering support, training and advice to help them implement sound environmental practices.
- Design, develop, manufacture and build our products and environments with consideration of the environment, moving towards greater use of sustainable/recycled materials and processes whilst also reducing waste.
- Progressively reduce the environmental impact caused by our products and activities.
- Protect local and wider communities from environmental damage, nuisance noises and odours resulting from our activities.

KEY FOCUS AREAS

Electricity, Gas and Fuel use (from plant machinery as well as transport and construction)

- Consumption of electricity, gas and fuel should be measured on an on-going basis.
- Every effort should be made to reduce the amount of energy and fuel used when conducting activities including but not limited to installing more energy efficient equipment in Facilities.
- Set a reduction target and devise a programme to achieve the reduction within an agreed timeframe.
- The feasibility of installing on site renewable energy generation should be evaluated as well as the possibility of procuring renewable energy tariffs.

Air Emissions

- An inventory should be kept of all air emissions points within the Facility and which substances are emitted from those points.
- Noxious gases and particles should be treated prior to release from the Facility.
- Air extraction devices should be installed where fumes are released directly into the Facility.
- Independent testing records of emissions discharge points should be maintained by the Facility.
- All valid permits required by local and national law must be maintained by the Facility.
- Set a reduction target and devise a programme to achieve the reduction in sources contributing to air emissions within an agreed timeframe.

- Maintenance programme and operating procedure should be developed and implemented for in-house air treatment Facility.

Waste

- Preventing, recycling and reuse of all waste should be considered for each waste stream.
- Any waste bearing Burberry's Intellectual Property should be securely shredded or otherwise destroyed in line with Burberry's Global Destruction Policy. Non sampling and non IP can be donated.
- No unauthorised burning or other disposal of solid waste should take place at the Facility.
- Any waste that is treated should be done so by a waste contractor with a licence to do so.
- All valid permits required by local and national law must be maintained by the Facility.
- Hazardous waste should only be handled by an appointed contractor with a licence to do so.
- Hazardous waste should be stored in designated and secure area.
- Containers should be dealt with appropriately e.g. cleaning and waste water treated before returning to an authorised handler.
- Set a time-bound reduction target and devise a programme to achieve the reduction.

Hazardous substances

Burberry's commitment to reducing chemical use in manufacturing is accessible via the below link;

<http://www.burberryplc.com/documents/action-plan/burberry-commitment-on-chemical-management-in-manufacturing.pdf> 2

Business Associates shall procure that:

- I. No Burberry-branded products and/or components and/or raw materials therefore which the Business Associate manufactures, processes or supplies shall contain the restricted substances listed in Burberry's Product Restricted Substances List (available at: <http://www.burberryplc.com/documents/action-plan/burberry-restricted-substances-list.pdf>) in concentrations higher than those listed therein.

Business Associates are encouraged to assess the conformity of their finished products against the requirements of Burberry's Product Restricted Substances List.

- II. The chemical formulations used in the manufacturing processes for Burberry-branded Products and/or components and/or raw materials therefore shall not contain the restricted substances listed in Burberry's Manufacturing Restricted Substances List (set out in the

Restricted Substances Policy available at: <http://www.burberryplc.com/documents/action-plan/burberry-restricted-substances-list.pdf>) in concentrations higher than those listed therein.

Business Associates are encouraged to assess the conformity of their chemical inventory against the requirements of Burberry's Manufacturing Restricted Substances List.

Both Burberry's Product Restricted Substances List and Manufacturing Restricted Substances List are updated from time to time. Business Associates are expected to check the lists for updates on a regular basis.

In addition to the points listed above, Business Associates are required to implement the following measures:

- Efforts should be made to reduce the usage of hazardous substances at the Facility.
- Set a reduction target and devise a programme to achieve the reduction within an agreed timeframe.
- Use of hazardous substances should be measured on an on-going basis.
- All hazardous substances should be securely and safely stored.
- All efforts should be made to prevent spillages and leaks of hazardous substances and emergency procedures should be in place to deal with these events should they occur.
- No chemicals can be washed down surface water drains.
- Chemicals must not be allowed to contaminate soil.

Water use

- Consumption of water should be measured on an on-going basis.
- Every effort should be made to reduce the water consumed at a Facility including but not limited to installing more water efficient equipment.
- All valid permits required by local and national law must be maintained by the Facility.
- Set a reduction target and devise a programme to achieve the reduction within an agreed timeframe.

Effluent treatment

- Untreated effluent (both industrial and domestic) must never be discharged.
- All effluent must be treated in a fully functional effluent treatment plant (ETP) before being discharged.

- For onsite ETP the system must be on and fully functioning and must include holding tanks with sufficient capacity to hold effluent in the event of a failure within the onsite ETP.
- Facilities must measure the following parameters as a minimum at each discharge point: COD/BOD, pH, Temperature, Offensive colour, Suspended solids, Total Dissolved Solids, Specific metals and toxins. See Appendix 1.
- Facilities are encouraged to measure the following parameters in wastewater upstream and downstream of the effluent treatment plant or collective discharge pipes : APEO's, Phthalates, PFC's , Brominated and chlorinated flame retardants, Azo dyes, Organotin compounds, Chlorobenzenes, Chlorinated solvents, Chlorophenols, Short chain chlorinated paraffins, Heavy metals such as cadmium, lead, mercury and chromium (VI).

See Appendix 2.

- Untreated (going to an external treatment plant) and treated (if being treated onsite) effluent must be tested on a regular basis and records must be available for inspection.
- Records of independent test results of effluent must be retained for at least 12 months.
- All valid permits required by local and national law must be maintained by the Facility.
- Maintenance programme and operating procedure should be developed and implemented for in-house waste water treatment facility.
- Burberry's commitment to chemical use in manufacturing is accessible via the below link, this should be used by all Business Associates
http://www.burberryplc.com/documents/corporate_responsibility/burberry-commitment-on-chemical-management-in-manufacturing.pdf

Raw Material Traceability

- Due to concern around biodiversity it is essential that all Business Associates keep records of raw material country of origin, specifically in relation to natural raw materials and in particular cotton, leather and wood/paper.
- Business Associates should develop a traceability system for the raw materials.

Packaging

- Efforts should be made to reduce the amount of packaging materials used.
- Where possible use recycled materials. If no recycled materials are available then please use sustainably certified materials.

COMMUNICATION

Burberry will communicate its Policy and achievements widely and, where appropriate, freely share and disseminate the techniques used to improve environmental performance.

Business Associates shall be expected, from time to time, to communicate their compliance with this Policy. This reporting may take the form of completing the Sustainable Apparel Coalition HIGG Index Facility module for all Business Associates' Facilities on an annual basis, or completing a Leather Working Group Audit (if appropriate).

Business Associates must immediately inform Burberry if they are cited as having breached an environmental consent limit at any of their Facilities. A remediation plan for each breach should immediately be established by the Business Associate and communicated to Burberry for approval.

MAKING SURE WE MEET OUR STANDARDS

Burberry and its Business Associates are expected to establish and maintain a system to deliver compliance with the Policy including promoting the Policy to all employees, workers, agents, subcontractors and representatives and, where appropriate and reasonably practicable, throughout their supply chain.

Burberry and its Business Associates shall each appoint (and declare if requested) a senior member of management (and if necessary, additional extra support at the Facility) to be responsible for compliance with the Policy at each Facility. The appointed member of management should be provided with appropriate training and guidelines to support the communication and implementation of the Policy.

Burberry and its Business Associates should operate in full compliance with the laws of their respective countries and with all other applicable laws, rules and regulations. Where there are differences or conflicts with this document and local law, the higher standard should prevail.

Burberry is committed to working collaboratively with industry partners, Government organisations, Non-Governmental Organisations (NGOs) and trade unions to effectively implement this policy and use the most relevant techniques to assess policy adherence.

Burberry aims to collaborate with Business Associates as equals and hopes to avoid intervening in Facilities in favour of a validated HIGG index score, or other as appropriate.

Where a company has a validated HIGG score Burberry will take consideration of this in lieu of an audit, at Burberry's discretion.

Compliance with this Policy may be subject to audit by Burberry or any appointed third party nominated by Burberry, at any time without prior notice and at Burberry's discretion. The cost of any audit or site visit will be met by the Business Associate.

Where serious breaches of this Policy persist, Burberry will consider termination of the business relationship with the Business Associate concerned.

BURBERRY GLOBAL ENVIRONMENTAL POLICY APPENDIX

APPENDIX 1 - Parameters for discharge points

Analytical Parameters	Test Method
COD	GB/T 11914-89
BOD ₅	HJ 505-2009
PH	GB/T 6920-1986
Total Suspended Substance (TSS)	GB/T 11901-198
Temperature	Thermometer
Offensive colour	GB/T 11903-1989
Total Dissolved Solids (TDS)	GB/T11901
Specific metals and toxins	Various

APPENDIX 2 - Parameters for wastewater upstream and downstream of the effluent treatment plant or collective discharge pipes

Phthalates (Ortho-Phthalates)			
Chemical substances	CAS no.	Test method	Detection limit
Bis (2-ethylhexyl) phthalate (DEHP)	117-81-7	GC/MS (EPA 8270 or ISO/DIN equivalent)	1 ug/L
Butyl benzyl phthalate (BBP)	85-68-7		
Di-n-butyl phthalate (DBP)	84-74-2		
Diethyl phthalate	84-66-2		
Dimethyl phthalate	131-11-3		
Di-n-octyl phthalate (DNOP)	117-84-0		
Di-isononyl phthalate (DINP)	28553-12-0		
Di-iso-decyl phthalate (DIDP)	26761-40-0		
Di-isobutyl phthalate (DIBP)	84-69-5		
Di-n-hexyl phthalate	84-75-3		
Dimethoxyethyl phthalate (DMEP)	117-82-8		
Di-n-propyl phthalate (DPRP)	131-16-8		
Di-iso-octyl phthalate (DIOP)	27554-26-3		
Di-cyclohexyl phthalate (DCHP)	84-61-7		
Dinonyl phthalate (DNP)	84-76-4		

APEOs/NPEs			
Chemical substances	CAS no.	Test method	Detection limit
Nonylphenol	104-40-5	ASTM D7065 GC/MS OR LC/MS	1 ug/L
Octylphenol	140-66-9		
Nonylphenol monoethoxylates, NP1EO	Multiple		5 ug/L
Nonylphenol diethoxylates, NP2EO	Multiple		
Octylphenol monoethoxylates, OP1EO	Multiple		
Octylphenol monoethoxylates, OP2EO	Multiple		
Nonylphenoethoxylates, n=4 to n=15	Multiple		
Octylphenoethoxylates, n=4 to n= 15	Multiple		

Perfluorinated Chemicals (PFCs)			
Chemical substances	CAS no.	Test method	Detection limit
Perfluorooctanoic acid (PFOA)	335-67-1	LC-MS	0.01 ug/L
Perfluorooctane sulphonates (PFOS)	2795-39-3		
Perfluoro-n-hexanoic acid (PFHxA)	307-24-4		
Perfluorohexane sulphonates (PFHxS)	355-46-4		
Perfluorobutanoic acid (PFBA)	375-22-4		
Perfluorobutane sulphonates (PFBS)	375-73-5		

Brominated and Chlorinated flame retardants			
Chemical substances	CAS no.	Test method	Detection limit
Polybromodiphenyl ethers (PBDEs)	Multiple	EPA 527 (MODIFIED) and EPA 8321B	0.05 ug/L
Polybromobiphenyls (PBBs)	Multiple		0.05 ug/L
Tris(2,3-dibromopropyl) phosphate (TRIS)	126-72-7		0.5 ug/L
Tetrabromobisphenol A (TBBPA)	79-94-7		0.5 ug/L
Tris(2-chloroethyl) phosphate (TCEP)	115-96-8		0.05 ug/L
Bis(2,3-dibromopropyl) phosphate	5412-25-9		0.5 ug/L
Hexabromocyclododecane (HBCDD)	3194-55-6		0.5 ug/L
2,2-Bis(bromomethyl)-1,3-propanediol (BBMP)	3296-90-0		0.5 ug/L
Tris(1,3-dichloro-isopropyl) phosphate (TDCP)	13674-87-8	0.05 ug/L	

Azo dyes			
Chemical substances	CAS no.	Test method	Detection limit
1,4-Phenylenediamine	106-50-3	DIN 38407-16, EN 14362-1 incorporating Corrigendum and EN 14362-3	0.1 ug/L
2,4,5-Trimethylaniline	137-17-7		
2,4-Diaminoanisole	615-05-4		
2,4-Diaminotoluene	95-80-7		
2,4-Xylidine	95-68-1		
2,6-Xylidine	87-62-7		
2-Chloroaniline	95-51-2		
2-Naphthylamine	91-59-8		
3,3'-Dichlorobenzidine	91-94-1		
3,3'-Dimethoxybenzidine	119-90-4		
3,3'-Dimethyl-4,4'-diaminodiphenylmethane	838-88-0		
3,3'-Dimethylbenzidine	119-93-7		
4,4'-Diaminodiphenylmethane	101-77-9		
4,4'-Methylene-bis(2-chloroaniline)	101-14-4		
4,4'-Oxydianiline	101-80-4		
4,4'-Thiodianiline	139-65-1		
4-Aminobiphenyl	92-67-1		
4-Chloroaniline	106-47-8		
4-Chloro-o-toluidine	95-69-2		
5-Nitro-o-anisidine	99-59-2		
5-Nitro-o-toluidine	99-55-8		
4-Aminoazobenzene	60-09-3		
Aniline	62-53-3		
Benzidine	92-87-5		
m-Toluidine	108-44-1		
n,n-Diethylaniline	91-66-7		
n-Ethylaniline	103-69-5		
n-Methylaniline	10-68-1		
o-Aminoazotoluene	97-56-3		
o-Anisidine	90-04-0		
o-Toluidine	95-53-4		
p-Cresidine	120-71-8		
p-Toluidine	106-49-0		

Organotin Compounds			
Chemical substances	CAS no.	Test method	Detection limit
Monobutyltin	Multiple	ISO17353:2005	0.01 ug/L
Dibutyltin	Multiple		
Tributyltin	Multiple		
Tetrabutyltin	1461-25-2		
Monooctyltin	Multiple		
Diocetyl tin	Multiple		
Triphenyltin	Multiple		
Tricyclohexyltin	Multiple		
Triocetyl tin	Multiple		
Tripropyltin	Multiple		

Chlorobenzenes			
Chemical substances	CAS no.	Test method	Detection limit
Chlorobenzene	108-90-7	EPA 8260B and EPA 8270D	0.02 ug/L
4-Chlorotoluene	106-43-4		
1,2-Dichlorobenzene	95-50-1		
1,3-Dichlorobenzene	541-73-1		
1,4-Dichlorobenzene	106-46-7		
1,2,4-Trichlorobenzene	120-82-1		
1,2,3-Trichlorobenzene	87-61-6		
1,3,5-Trichlorobenzene	108-70-3		
1,2,3,4-Tetrachlorobenzene	634-66-2		
1,2,3,5-Tetrachlorobenzene	634-90-2		
1,2,4,5-Tetrachlorobenzene	95-94-3		
Pentachlorobenzene	608-93-5		
Hexachlorobenzene	118-74-1		

Chlorinated Solvents			
Chemical substances	CAS no.	Test method	Detection limit
Bromodichloromethane	75-27-4	EPA 8260B	1 ug/L
Bromoform	75-25-2		
Carbon tetrachloride	56-23-5		
Chlorodibromomethane	124-48-1		
Chloroethane	75-00-3		
Chloroform	67-66-3		
Dibromomethane	74-95-3		
1,1-Dichloroethane	75-34-3		
1,2-Dichloroethane	107-06-2		
1,1-Dichloroethene	75-35-4		
cis-1,2-Dichloroethene	156-59-2		
trans-1,2-Dichloroethene	156-60-5		
trans-1,3-Dichloropropene	10061-02-6		
Hexachlorobutadiene	87-68-3		
Methylene chloride	75-09-2		
1,1,2,2-Tetrachloroethane	79-34-5		
Tetrachloroethene	127-18-4		
1,1,1-Trichloroethane	71-55-6		
Trichloroethene	79-01-6		
Vinyl chloride	75-01-4		
Hexachloroethane	67-72-1		
1,1,1,2-Tetrachloroethane	630-20-6		
1,1,2-Trichloroethane	79-00-5		

Chlorophenols			
Chemical substances	CAS no.	Test method	Detection limit
4-Chloro-3-methylphenol	59-50-7	EPA 8270D	0.5 ug/L
2-Chlorophenol	95-57-8		
2,4-Dichlorophenol	120-83-2		
2,5-Dichlorophenol	583-78-8		
2,6-Dichlorophenol	87-65-0		
Pentachlorophenol (PCP)	87-86-5		
2,3,4,6-Tetrachlorophenol	58-90-2		
2,4,5-Trichlorophenol	95-95-4		
2,4,6-Trichlorophenol	88-06-2		
2,3,4,5-Tetrachlorophenol	4901-51-3		
2,3,5,6-Tetrachlorophenol	935-95-5		
Tetrachlorophenols (TeCP)	25167-83-3		
2,3,4-Trichlorophenol	15950-66-0		
2,3,5-Trichlorophenol	933-78-8		
3,4,5-Trichlorophenol	609-19-8		
3,5-Dichlorophenol	591-35-5		
2,3-Dichlorophenol	576-24-9		
3,4-Dichlorophenol	95-77-2		
3-chlorophenol	108-43-0		

4-chlorophenol	106-48-9		
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Short-Chained Chlorinated			
Chemical substances	CAS no.	Test method	Detection limit
Short chain chlorinated paraffins (SCCPs)	85535-84-8	ISO/PRF 12010 or EPA 8082 (MODIFIED, GC/MS OR LC/MS)	0.4 ug/L

Heavy Metals			
Chemical substances	CAS no.	Test method	Detection limit
Lead, Pb	7439-92-1	EPA 3015A / EPA 3050B & 6020A	1 ug/L
Cadmium, Cd	7440-43-9		0.1 ug/L
Mercury, Hg	7439-97-6		0.05 ug/L
Antimony, Sb	7440-36-0		1 ug/L
Arsenic, As	7440-38-2		1 ug/L
Chromium, Cr (total)	7440-47-3		1 ug/L
Cobalt, Co	7440-48-4		1 ug/L
Copper, Cu	7440-50-8		1 ug/L
Nickel, Ni	7440-02-0		1 ug/L
Zinc, Zn	7440-66-6		1 ug/L
Total Manganese	7439-96-5		1 ug/L
Chromium, hexavalent, Cr(VI)	7440-47-3	EPA 7196A / IC-ICP-MS	1 ug/L
Cyanide (CN-)	Various	APHA 4500 CN-C & E	20 ug/L