



BURBERRY

London, England

Jessica Fries
The Prince's Accounting for Sustainability Project
Clarence House
London SW1A 1BA
United Kingdom

3 July 2018

Dear Jessica

Being part of the A4S network has provided a unique opportunity to collaborate with leading organisations and advance our understanding of key sustainability challenges, explore ways for these to be embedded into business decision making, and inspire others about the importance of doing so.

The network's focus on engaging CFOs, Finance teams and the broader investment community has been instrumental in elevating sustainability as a business priority.

We started our responsibility journey in 2004, with the launch of our ethical trading programme, followed a few years later by our environmental sustainability and community investment programmes. Over the years, and through our collaboration with A4S, it has become apparent how these pillars of work interlink and how they affect not only our bottom line, but more fundamentally the long-term sustainability and economic success of our business.

As a result, in 2017 we launched Burberry's five-year responsibility strategy called 'Creating Tomorrow's Heritage', setting ourselves ambitious goals for 2022 to drive positive change through 100% of our products, become carbon neutral and revalue waste, and positively impact 1 million people in the communities sustaining our industry, for example in Afghanistan, Italy and Yorkshire.

To achieve these goals, we have:

- Set KPIs at senior leadership and functional level, to drive positive social and environmental change in our operations and global supply chain
- Supported the Burberry Foundation in launching long-term community programmes in key locations across our industry's footprint
- Joined initiatives such as RE100 (committing to 100% renewable energy by 2022) and the Ellen McArthur Foundation's 'Make Fashion Circular' initiative (working with other founding partners to create a more circular textile economy)
- Increased our focus on integrating environmental and social factors in measuring business performance, investment appraisal, budgeting, planning and forecasting.

In September 2017, A4S prompted us to support the recommendations of the Taskforce on Climate-related Financial Disclosures, which in turn has initiated an internal review, of our governance structures, business strategy, risk management and financial metrics in relation to climate change risks and opportunities.

Our membership of A4S has also influenced our approach to reporting. In our 2017/18 Annual Report we have highlighted the link between non-financial KPIs and core business strategy, stakeholder engagement and long-term risk management. We have included, for the first time, climate change and sustainability as principal risks, recognising how the financial sustainability of our business depends on the social and environmental sustainability of our operations, the resilience of our supply chain and our ability to mitigate and adapt to climate change.

Being a member of A4S has been instrumental in shaping and advancing our responsibility agenda. We would like to express our deepest gratitude to HRH The Prince of Wales for having had the foresight back in 2004 to recognise that today's global social and environmental challenges can only be solved through a fundamental shift in business models, business planning and decision making; for his unwavering passion in promoting the sustainability agenda; and for his strong belief in business to find solutions and create a more resilient and sustainable economy.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Julie Brown', written over a horizontal line.

Julie Brown
Chief Operating and Financial Officer
Burberry Group plc