

Burberry Group plc

TICKER
LSE:BRBY

MARKET CAPITALIZATION
US\$9 billion

HEADQUARTERS
United Kingdom

COMPLIANCE

UK Modern Slavery Act: [Yes](#)

California Transparency in Supply Chains Act: [Yes](#)

COMMITMENTS

[Yes](#)

OVERALL RANKING

13 out of 43

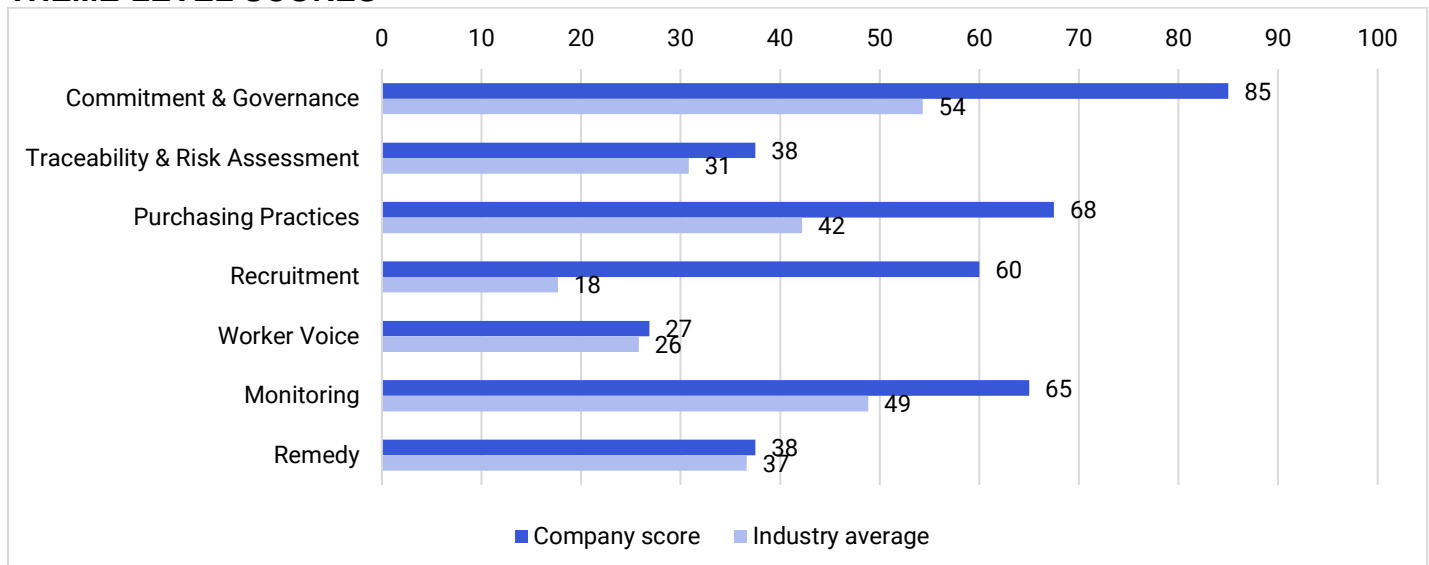
OVERALL SCORE

54 out of 100

SUMMARY

Burberry Group plc (Burberry), a British manufacturer and retailer of luxury goods, ranks 13th out of 43 companies, disclosing more information on its forced labor policies and practices than its peers across all themes. Notably, the company is the highest scoring luxury brand in the benchmark on the theme of Recruitment. It discloses that it includes employment and recruitment agencies within the scope of its audits and that it trains its suppliers on how to mitigate recruitment-related forced labor risks. Additional steps the company could take to address forced labor risks in its supply chains include strengthening its disclosure and practices on the themes of Traceability & Risk Assessment, Worker Voice, and Remedy.

THEME-LEVEL SCORES



Research conducted through June 2018, or through August 2018 where companies provided additional disclosure or links. For more information, see the full dataset [here](#).

LEADING PRACTICES

Commitment & Governance: Burberry discloses that both its supply chains and sourcing teams have targets related to working conditions in its supply chains. Further, individuals within the sourcing teams have personal KPIs related to supply chain labor conditions.

Purchasing Practices: Burberry's supplier code of conduct addressing forced labor includes indirect suppliers, including those providing raw materials or component services. The company has set up a capacity-building program for its Italian suppliers on managing working conditions at their sub-suppliers and on ethical monitoring programs.

Worker Voice: Burberry discloses that it has set up confidential hotlines for workers in southern China operated by NGOs, as access to grievance mechanisms is particularly challenging in that region. The company reports that the hotlines are intended to provide "a means of whistleblowing, as well as offering emotional support and information about workers' labor rights."

NOTABLE FINDINGS

Supplier Selection: Burberry reports that it carries out audits on potential suppliers to assess for indicators of forced labor and human trafficking prior to the selection of new suppliers. This includes an assessment of suppliers' commitment to responsible sourcing policies through interviews and document reviews. It discloses that 60% of potential footwear and ready-to-wear suppliers were found to be satisfactory, while 40% were rated acceptable with room for improvement and a small number were rejected.

Recruitment: Burberry discloses that it audits suppliers against its supplier code of conduct and migrant worker policy; it also includes recruitment and employment agencies in its audits. Additionally, the company reports that it delivered training on identifying and addressing modern slavery to its suppliers and third-party labor contractors. Burberry states that the training asks participants to develop action plans for the recruitment and management of workers, with a view to reducing the risks of modern slavery.

Monitoring: Burberry discloses that its ethical audit program for suppliers includes visits, which may be announced or unannounced, a review of documents such as employment contracts and documentation on wages and working hours, visits to supporting facilities such as accommodations, and interviews with workers, which should include a representative sample of migrant workers and union and worker representatives. It discloses that at least 10% of workers in the factory must be interviewed during each audit.

OPPORTUNITIES FOR IMPROVEMENT

Traceability & Risk Assessment: The company is encouraged to demonstrate a strong understanding of its supply chains by disclosing the names and addresses of its first-tier suppliers, the countries of below-first-tier suppliers, the sourcing countries of raw materials at high risk of forced labor and human trafficking, and information on its suppliers' workforce.

Worker Voice: While the company developed supply chain worker well-being surveys, to prevent forced labor in its supply chains, it is encouraged to work with relevant stakeholders to engage with and educate workers in its supply chains on their labor rights. To ensure scalability and effectiveness, the company may consider ensuring that there are worker-to-worker education initiatives on labor rights in its supply chains and measuring and disclosing evidence of the positive impact of worker engagement in its supply chains.

Remedy: The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of human trafficking and forced labor and disclosing details on this process, such as timeframes and engagement with affected stakeholders, responsible parties, or approval procedures. To demonstrate to stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes.](#)

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