

Welcome to your CDP Climate Change Questionnaire 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Superdry, founded in 1985, is a global brand that designs and sells a wide range of premium men and women's clothing.

Our mission is to 'Inspire and engage the style obsessed consumer, whilst leaving a positive environmental legacy'.

Headquartered in the UK, Superdry is a global, multi-channel business selling through a combination of over 230 UK, European and US standalone retail stores, 500+ franchise stores, our global ecommerce platform and over 4000 global wholesale partners. Our brand is sold in more than 160 countries.

At Superdry, we are obsessed with quality and making our garments to last to drastically reduce their overall environmental footprint,

Our ambition is to become the most sustainable listed global fashion brand on the planet by 2030.

Our goals continue to focus on producing the most sustainable **product**, whilst protecting our **planet** and supporting our **people** in all that we do. We will do the right thing and leave a positive environmental legacy.

- **Low Impact Materials** – All pure cotton items will be organic by 2025, with 20,000 farmers supported to convert to organic production. We plan to use recycled and low impact materials at scale, across our range, and convert all remaining cotton in our collections to organic by 2030. We only use packaging where necessary; we always opt for the lowest impact when used ensuring 100% is reusable, recyclable or compostable by 2025.
- **Net Zero Carbon Emissions** - All our own sites and logistics operations will be net zero by 2030, with Net Zero emissions across our entire supply chain emissions by 2040. We will always challenge ourselves and partners to minimise environmental footprint.



- **Lead Positive Change** – We partner with market leading suppliers to produce our product in automated and sustainable factories, where people are treated with Respect and Dignity.

Accelerating our goals means that our commitments align with the **United Nations Sustainable Development Goals (SDGs)** deadline for 2030 and builds our accountability as global citizens to deliver against more challenging targets. We continue to track our progress for key SDGs. Our sustainability goals are future facing and complement our continual core ethical and environmental programmes that ensure we meet our everyday responsibilities in our own business operations and our supply chain.

'Leading through Sustainability' is one of our three core business objectives within our five-year business strategy. We have seven core sustainability KPIs (two of which directly focus on climate impact) as below:

1. Sustainably Sourced product mix (% Volume)
2. Recyclable, reusable, or biodegradable packaging (% tons converted)
3. Water footprint reduction (% saved)
4. Renewable energy - % of energy across stores, offices, distribution
5. % Reduction in carbon emissions – Scope 1, 2 and 3* (*distribution and logistics)
6. Number cotton farmers enrolled in training to transition to organic practices
7. % workers in supply chain directly supported with market leading and locally tailored gender empowerment and worker voice frameworks

To support the outcomes of the Paris Climate Agreement we know we need to reduce ours and our supply chain emissions by half (50%) by 2030 and achieve Net Zero by 2050. Our current strategy will achieve this.

This year we developed and signed off this updated and integrated sustainability strategy which focusses on our material impact areas across our product, our planet and our people. Our Board approved this strategy and the associated multi-million budgeted costs over the next decade which includes our Net Zero ambition that have end goals that aligns with the science for a 1.5°C future, through a reduction > conversion > offsetting methodology. As a next step we are reviewing our strategy methodology and interim targets to align even further with the decarbonisation pace needed to meet a 1.5°C degree future through adoption and setting of a Science Based Target.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	May 1, 2020	April 30, 2021	Yes	3 years

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Austria
Belgium
China, Hong Kong Special Administrative Region
Denmark
France
Germany
India
Ireland
Italy
Netherlands
Norway
Spain
Sweden
Switzerland
Turkey
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

GBP

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	<p>Our CEO has direct and material responsibility for sustainability & climate related issues. Our CEO ensures oversight, direction and approval of our sustainability ambition & strategy through a direct reporting line from our Global Sourcing & Sustainability Director.</p> <p>Our CEO has responsibility to approve sustainability (including environmental/climate change) strategy, budgets, business plans and major capital expenditure.</p> <p>Our CEO has been part of all recent sustainability strategy decisions and has been the driving force behind Superdry's ambition to become the "most sustainable global listed fashion brand by 2030".</p> <p>This year, notably our CEO:</p> <ol style="list-style-type: none"> 1) Approved the integration of sustainability as one of our three core business objectives, as part of our 5-year business strategy, including our Net Zero targets to 2025, 2030 & 2040. 2) Approved the acceleration of our Organic Cotton goal to have converted 65% of our cotton containing garments to organic by 2025 (already achieving 30%). 3) Approved a 3-year multi-million pound CAPEX budget to optimise energy use in 100% of our retail stores & 3rd party warehouses by 2025, using LED lighting & Building Management Systems (BMS). To date we've already installed LED lighting in 45%, and BMS in 55%, of our retail estate, reducing our energy consumption by 35%. This is in addition to upgrading 100% of the lighting to LED in our two largest warehouses saving a further 950MWh (273 tonnes CO₂e) pa. <p>Our CEO is recognised personally for his commitment to sustainability and responsible ways of doing business, including this year being recognised by the Best Of Organic Markets awards as the 'Best of Organic Ambassadors'.</p> <p>Our CEO also drove our original commitment made in 2014 to move to 100% renewable electricity in stores & offices by 2020 (achieved in 2017), and was the primary driving force for Superdry's recent top placement in the 'Financial Times Europe's Climate Leaders 2021'. Superdry topped the list of 300 European companies who achieved the greatest reduction in their carbon emission intensity from 2014-2019, for reducing our year-on-year core emissions by >50%.</p> <p>In recognition of the overall leadership from Superdry and our CEO in launching a sustainable brand reset that creates change in our supply chain & industry, we were also awarded the 'Positive Change Award' at the Drapers Sustainable Fashion Awards 2021.</p>

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues Other, please specify Stakeholder engagement - the Environment is one of our key stakeholders.	<p>The Superdry Board has eight scheduled meeting each year with our CEO present at all, providing oversight where appropriate. At least one meeting is also attended by our Global Director of Sourcing & Sustainability (GDSS) or Head of Sustainability (HoS), to provide a full update on strategic progress.</p> <p>Each meeting receives a CEO report containing notable sustainability issues requiring board oversight & governance.</p> <p>This year our board approved the integration of sustainability as one of our three core business objectives, as part of our 5-year business strategy.</p> <p>Progress on our "Lead through sustainability" objective (and all other objectives) is reported back to the Board quarterly, including at the end of FY21.</p> <p>The 7 KPIs are detailed in our Company Overview (C0.1).</p> <p>This year, as every year, the Board has approved our annual report, including specific sustainability & climate areas:</p> <ol style="list-style-type: none"> 1. Full statutory sustainability section on strategy & progress against our KPIs and all mandatory compliance, including Streamlined Energy & Carbon Reporting 2. Separate business risk section, including our environmental sustainability risks 3. Sustainability commentary within CEO & Director reports <p>The sustainability section of the annual report is reviewed alongside the wider annual report by our appointed auditors.</p> <p>Superdry will this year publish our first dedicated 24-</p>

		<p>page Sustainability report. The content will extend our reporting on Sustainability to showcase action taken in this reporting year to fulfil our sustainability goals. The sustainability report is submitted alongside the annual report to the Board.</p> <p>The Board schedules in periodic updates from our Executive Committee, on which our GDSS sits, to have continual oversight of business issues including our sustainability & climate agenda and progress.</p> <p>Climate and environmental sustainability are included in our risk register, which is reviewed by the Head of Risk, HoS & GDSS quarterly. The risk committee provide quarterly updates to the audit committee for oversight of climate related risks. A Non-Executive Director (NED) is the Audit Committee Chair, sitting on both the Board and the Audit Committee. Our CEO also attends all Audit Committee meetings.</p> <p>One nominated NED also holds 'one to one' meetings with the GDSS to help them to understand and monitor climate related issues. This NED also joined one of this years 'Sustainability Warrior' (committee) monthly calls, as part of our internal stakeholder consultation, to receive an update on practical actions and knowledge sharing within Superdry to help meet our sustainability goals.</p> <p>Our Board approves updates to key policies through our Policy & Procedures Review Mechanism. Our Environmental Policy was last updated in Jan-21 and covers a requirement for suppliers to report their emissions.</p>
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C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly

Other, please specify Global Sourcing and Sustainability Director	Both assessing and managing climate-related risks and opportunities	Quarterly
Risk committee	Assessing climate-related risks and opportunities	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

CEO:

Our CEO has direct and material responsibility for sustainability and climate related issues. Our CEO ensures oversight, direction and approval of our sustainability ambition and strategy through a direct reporting line from our Global Sourcing and Sustainability Director. Our CEO has responsibility to approve sustainability (including environmental/climate change) strategy, budgets, business plans and major capital expenditure. Our CEO attends all eight scheduled Board meetings each year, providing climate oversight and updates where appropriate.

In 2020 we developed and signed off our 'brand reset' sustainability strategy refresh, integrating sustainability into our 5-year business plan through our "Lead through sustainability" objective, underpinned by a strategy which focusses on our material impact areas. These include our focus across our product, our planet and our people, by using sustainable materials at scale, reaching Net Zero carbon emissions and creating positive change. This strategy was presented to our CEO and the Board for approval and the associated multi-million pound budget over the next decade were approved, including our Net Zero ambition that have end goals that align with the science for a 1.5°C future; through a reduction > conversion > offsetting methodology.

The CEO has direct reporting line from our Global Director of Sourcing and Sustainability.

Global Director of Sourcing and Sustainability:

Superdry has a centralised global sustainability team, led by our Global Director of Sourcing and Sustainability who has direct responsibility for the delivery of our sustainability strategy and performance against the relevant targets within.

This includes the three strategic business initiatives that relate to our 'Lead Through Sustainability' core business objective. One of our three initiatives is our objective to reach 'Net Zero' emissions across three milestones (own operations and third-party distribution centres by 2025, third-party logistics by 2030 and all scope 3 emissions by 2040).

The Global Director of Sourcing and Sustainability actively monitors and assesses Superdry related climate impacts such as our calculated global carbon emissions and managing them through the approval of targets and strategies set within the sustainability team.

The Global Director of Sourcing and Sustainability reports directly into the CEO - regularly providing updates on sustainability (including environment/climate) opportunities as well as performance, issues and risks to the company/brand.

Reporting into the Global Sourcing and Sustainability Director is the Head of Sustainability; and reporting into the Head of Sustainability is the Energy and Environment Manager.

The Head of Sustainability and Energy and Environment Manager support the Global Director of Sourcing and Sustainability in assessing and managing all sustainability issues, including all environmental, climate and energy work-streams on a day-to-day basis.

These include delivering against strategy targets to reduce our energy and climate impacts from both our operations and our products & packaging.

Support to our global sustainability team is enhanced through:

1. A group of >50 “Sustainability Warriors” – our sustainability committee – representing all functions across the business and global territories - whom we engage monthly to integrate sustainable thinking across all Superdry departments. We also consult with them to ensure our external and internal report meets consumer and colleague expectations.
2. Three regional sourcing offices situated in our key source countries, with fabric and sustainability (ethical and environmental) leads.

These Superdry employees provide greater governance of sustainability impacts and strategies relating to our upstream (sourcing and production) supply chains.

This includes the implementation of our production factory certification to ISO 50001 (an energy management standard).

All energy and environment, including climate, related work is monitored through a combination of impact assessment, personnel experience/knowledge, membership of professional bodies and cross industry forums and events.

Risk Committee:

The Superdry Board is accountable for assessing the management of risk within the business and delegates responsibility to the Audit Committee which meets on a quarterly basis.

On a quarterly basis the Global Sourcing and Sustainability Director and Head of Sustainability, meet with Head of Risk who chairs the risk committee, to review and assess climate related risk.

The responsibility of the Risk Committee and its chair (The Head of Risk) is to report the output of these climate risks back to the Audit Committee.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Provide incentives for the management of climate-related issues	Comment
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Row 1	Yes	This year we have introduced an incentive scheme "The Bonus" for our executive, senior and middle management employees, based on meeting one of the core seven sustainability KPIs from within our integrated sustainability strategy, as part of our 5-year business strategy.
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C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Corporate executive team	Monetary reward	Company performance against a climate-related sustainability index	<p>Superdry corporate executive team will now have an element of their annual bonus from a new sustainability incentive "The Bonus".</p> <p>This will be related to our core sustainability KPIs of "% of sustainable product full price sales". They must meet a threshold which is determined and shared at the start of each financial year for the cash bonus to be paid to them. This same incentive also applies to Superdry senior and middle management.</p> <p>Sales in scope of inclusion are attributed "sustainably sourced" and are defined in line with our environmental policy. These materials are included within Textile Exchanges' Preferred Fibres Index; and are further evidenced through baselined water/carbon impact defined by industry benchmark "The HIGG index".</p>

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	<p>With regard our environmental/climate strategies and risk, short term is about identifying areas that will impact our ability to meet our expected strategics and financial plans.</p> <p>As a fashion brand we operate our business on two main seasons and two capsule collections and therefore within a financial year we review year on year seasonal trends to inform short term risk assessment.</p> <p>When planning a future season, we review trends related to raw material production to inform buying patterns, forecasting and prioritising appropriate materials to mitigate risk.</p> <p>One example is that when planning a cotton rich season such as spring summer we will book fabric in advance to secure organic cotton availability due to volatility because of environmental factors related to sowing/harvesting cotton.</p> <p>This time frame aligns with our short-term financial planning horizon.</p>
Medium-term	1	5	<p>With regard our environmental/climate strategies and risk, medium term is about identifying areas that will impact our ability to meet our 5-year plan, which is the basis for our viability statement within the Annual Report.</p> <p>These include our aim to move 65% of our cotton to organic, and Net Zero in our own and third-party distribution operations by 2025.</p> <p>Over the next 5 years we are diversifying into recycled and organic “in transition” cotton to de-risk market volatility of virgin cotton due to environmental impacts, and to invest in the organic sector which currently supplies just 1% of the worlds’ cotton yet has significantly lower carbon (-14%) and water impact (-87%) than farming conventional cotton. Transitional cotton also improves the soil quality by adding more organic matter, which sequesters more carbon and holds water better. Currently 1/3 of the worlds soil is degraded but by investing in training 20,000 farmers over the medium term (by 2025) we are securing our total required volume for organic and transitional cotton, whilst improving previously degraded soil.</p> <p>This time frame aligns with our medium-term financial planning horizon.</p>
Long-term	5	20	<p>With regard our environmental/climate strategies and risk, long term is aligned with our sustainability strategy horizons which look over a longer time frame than other business operations to give us direction</p>

		<p>over the next decade – to 2030 (but not longer to avoid dilution of meaning or impetus).</p> <p>With this time frame we also aspire to align our long-term sustainability goals with widely recognised timescales for impact such as the Sustainable Development Goals and the Paris Climate Agreement. We have set the public ambition to become the “most sustainable global listed fashion brand” by 2030 which further alignment between our Sustainability strategy and our long-term horizon plan.</p> <p>Our long-term goals for example are 100% organic cotton in all cotton products by 2030 , and Net Zero across our third-party logistics operations by 2030.</p> <p>Over the next 10 years we will continue to cap airfreight at 2% (previously 11% in 2019) and move to alternative low carbon fuels to de-risk the increasing cost of logistics from climate, and the cost of achieving our Net Zero goals.</p>
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C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

When identifying and assessing climate-related risk, within our Risk Management Policy (which is updated annually as a minimum) we use a 5x5 probability-impact risk matrix to define impact as either: "insignificant", "minor", "moderate", "significant" or "major". Each impact category has a definition across multiple areas including financial, health and safety, people and brand reputation. Our "major" risks are defined as having >£3.5m reduction on profits, severe injury/death (multiple numbers), adverse change affecting >50% employees, and brand health falling to a critical and potentially terminal level.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Our Head of Internal Audit, Risk and Business Continuity maintains and updates our risk register through a cross business approach to include all departments and risks.

This risk register looks at the short-, medium- and long-term risks for the business. The risk register is updated quarterly and our Audit Committee reviews performance in relation to the Principal Risks and Uncertainties quarterly.

Within our risk register we have identified 'Environmental sustainability' (which incorporates climate) as a risk with financial and strategic impact (as per our risk matrix within our risk management policy).

Within our environmental/climate risks we consider and identify any risks that fall within either 'Transitional' risk (including regulation and legal changes, technology and market developments) or 'Physical' risk (including extreme weather events or changing climates).

Impact of climate change is considered as a potential factor for a number of operational and strategic risks, but the effect of it is itself evaluated as a specific risk. This process has identified our dominant risk as the need to maintain positive environmental conditions within our supply chain in order to maintain our licence to operate with customers and wider stakeholders.

A case study of identifying and responding to a physical risk within our risk register relates to our raw materials sourcing.

- We map our full raw material footprint annually as our first mitigation approach to de-risk our material buying strategy.
- Cotton consistently has a substantive financial and strategic impact – used in 72% of the products we buy annually.
- Cotton's availability and yield are susceptible to climate impacts of rainfall patterns.

Over the medium to long term, we are mitigating this risk by transitioning all our cotton to organic (65% by 2025 and 100% by 2030) as organic cotton requires 60-90% less water, as well as having a lower carbon footprint in production, whilst improving the soil quality by introducing more organic matter, in turn increasing the amount of carbon sequestered, in turn reducing impacts of climate change.

Our strategic approach and commitment to organic cotton include a further mitigation measure which is to invest directly into training a total of 20,000 farmers to transition to organic practices by 2025. We have already trained >1,800 this year and committed to over 6,500 in FY22 to increase availability. We have committed to use transitional (organic pre-certification) cotton from this year in order to de-risk our raw materials

further, but also to significantly improve the global supply and subsequent climate improvements of organic cotton. Transitional cotton has all of the benefits of organic cotton but it is not yet certified. Over the three years in transition these farmers will apply the same organic practices to the current non-organic farms which will improve their soil with increased organic matter and higher carbon sequestration, helping reduce the volume of degraded soil that exists globally (currently 1/3 of soil globally is degraded). We believe this provides a secure long term strategy to meet our needs for organic cotton. By training 20,000 farmers, by around 2025 we will have enough organic and transitional cotton to meet all our production volume needs.

Over the short term we'll de-risk cotton by also sourcing recycled cotton into our product mix to allow for greater flexibility.

90% of Superdry's organic cotton farmers are rainfed, making them more susceptible to climate impacts of rainfall patterns – in the timing of both harvest and in the yield. Part of our mitigation approach here is we are expanding our organic cotton target to include recycled cotton for greater flexibility. In addition we are reacting through our buying calendar and this year in response we bought fabric for two million units early for our Spring Summer 2022 season.

A case study of identifying and responding to a transitional risk within our risk register relates to our brand reputation.

- We have identified a high reputational risk due to increased public awareness of corporate and environmental impact and scrutiny of brand performance in the mainstream media.
- Superdry has set an ambitious public facing target to become the most sustainable listed fashion brand on the planet by 2030, increasing stakeholder awareness of our brand and increasing our risk of negative brand reputation, through our impact on the environment.

Part of our mitigation measures in the short term that will continue into the long term have been to implement integrated governance and transparent reporting to reduce the substantive financial and strategic risk through demonstrating our credentials in this area (and avoiding reputational damage) through increased external reporting (Sustainability Report, Annual Report); an improved Corporate Sustainability website, and consumer facing '.com' site.

We benchmark our performance annually through the Fashion Revolution Transparency Index, increasing our score by 11% in FY21 and ranking to the top third of 250 brands included.

Our risk register details the mitigation measures identified to reduce risks with financial and strategic impacts. Key examples include:

- “Leading through sustainability” is one of the three core objectives of Superdry's 2025 business strategy. The Group has set milestones so that we can meet our 2025 and 2030 sustainability goals and progress is tracked against key environmental initiatives such as packaging, carbon emissions, energy use and compliance with wider

environmental regulation.

- Our sustainability goals are in line with established material impacts for a fashion brand and align with the United Nations Sustainable Development Goals (SDGs).
- We currently use a number of reporting, certification, verification and assurance mechanisms to understand, calculate, manage and publish our impacts. These include global carbon emissions calculated to global standard (GHG Protocol) which is independently verified by AVIECO. Moving forward, we will also align to developing regulatory requirements such as the Task Force on Climate-related Financial Disclosures (TCFD).

Value chain stage(s) covered

Upstream

Risk management process

A specific climate-related risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Medium-term

Long-term

Description of process

In 2017 we first undertook a materiality assessment against the UN Sustainable Development Goals at a country level to understand how both our impact and risk of each of the 17 goals either helped or hindered their achievement by 2030. From this we created a matrix which was used to identify our most material areas and where we should put our focus within each territory.

This materiality matrix is now updated annually and used alongside our integrated risk management process to inform our ongoing priorities and focusses as well as future strategy development, budget allocation and risk assessment planning.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulation across our global markets, is considered and identified within our climate-risks within Superdry's integrated risk register. As with all climate risks it is assessed against our 5x5 impact-probability matrix over short, medium, and long term and identified as a

		<p>priority where risk is high - updated at least annually.</p> <p>Climate related risk from current regulation is relatively minor compared with other risks, with most impacts being around reporting.</p> <p>For example Superdry is legally required to comply with Mandatory Carbon Reporting and Streamline Energy and Carbon Reporting which requires us (and all UK quoted companies) to report on both their global greenhouse gas emissions and global + UK energy consumption. The risk here is non-compliance resulting in potential direct costs (financial penalties), or loss of revenue (reputation change amongst our customers / investors).</p> <p>Non climate related legislation, including the Modern Slavery Act (MSA), can also pose a risk. For example the MSA requires Superdry to ensure we are not complicit in Modern Slavery which in turn requires us to limit our cotton sourcing with open allegations of modern slavery, including state sponsored forced labour. This limits source locations and increases the climate change risk when sourcing raw materials.</p> <p>To mitigate this risk we have an integrated global sustainability strategy led by a centralised sustainability team who ensure we meet all regulation avoiding the associated business risk, which is noted in our risk register around our licence to operate.</p>
<p>Emerging regulation</p>	<p>Relevant, always included</p>	<p>Emerging regulation from across our global markets, is considered and identified within our climate-risks within Superdry's integrated risk register.</p> <p>As with all climate risks it is assessed against our 5x5 impact-probability matrix over short, medium, and long term and identified as a priority where risk is high - updated at least annually.</p> <p>Our annual Sustainable Development Goal (SDG) materiality assessment that we undertake to support our integrated risk process, helps us highlight which area of sustainability are key focus areas in each country and therefore where potential new regulation may emerge.</p> <p>By aligning to the SDGs and using a materiality assessment we note the potential for emerging legislation in climate in those countries where their impact is high.</p> <p>For example Superdry could be impacted by the emerging UK Environment Bill which may impact our required policies and procedures, incurring business cost or strategic impact – 42% of our location-based Scope 1 and 2 emissions come from our UK</p>

		operations. We have a detailed understanding of our operations and impact in order to help us mitigate against emerging regulation.
Technology	Relevant, sometimes included	<p>Technology is considered and identified within our climate-risks within Superdry's integrated risk register.</p> <p>As with all climate risks it is assessed against our 5x5 impact-probability matrix over short, medium and long term and identified as a priority where risk is high - updated at least annually.</p> <p>Technology improvements present significant opportunity and an ability to differentiate ourselves from the rest of the industry. Not keeping up with changes to technology or to changes in its availability could pose a risk to Superdry with severe financial and strategic impact.</p> <p>For example Superdry is reliant on availability of both energy reduction/efficiency technologies and renewable energy technologies in order to meet our Net Zero goal through our 'Reduce' and 'Convert' stages. Therefore Superdry is at risk of not meeting our strategic goals or incurring increased costs if developments in technology mandate us to invest and install energy efficient equipment.</p> <p>To mitigate this we have committed to invest >£1m in CAPEX over next 3 years to fully invest in best available optimisation technologies, including Building Management Systems (BMS) and LED lighting in 100% of our stores and main 3rd party warehouses.</p> <p>Our raw material sourcing is heavily reliant on technology. Superdry is at risk of increased costs such as from changes to requirements for replacing old climate intense equipment, for example a requirement as a signatory of the UN Fashion Charter is to not installing any new coal boilers in our partner factories from 2025.</p> <p>One of our mitigation measures is our partner closely with our supplier and align them to our strategy including requesting all production partners to:</p> <ol style="list-style-type: none"> 1) certify to ISO 50001 standard (a best practice energy management system) to reduce their energy consumption, and 2) switch to renewable electricity to remove carbon intense equipment. <p>To date 17 of our garment factories have certified to ISO 50001, accounting for 35% of our annual volume, and saving an average of 13% in their energy use and costs.</p> <p>Alternatively, there is a risk from advances in the industry or requirements to invest in new technology to improve traceability of product or reduce product climate impact, for example with clothes</p>

		<p>recycling equipment. To mitigate this, and capture related opportunities, Superdry already partner with leading technology companies, such as Else in Turkey, to collect and recycle cut-waste back into new garments.</p>
Legal	Relevant, always included	<p>Legal requirements from across our global markets, is considered and identified within our climate-risks within Superdry's integrated risk register.</p> <p>As with all climate risks it is assessed against our 5x5 impact-probability matrix over short, medium, and long term and identified as a priority where risk is high - updated at least annually.</p> <p>We monitor all legal requirements through our global legal team, using periodic external law reviews to capture any emerging laws. We have not been impacted by any climate related litigations to date. For example Superdry, and our production partners, must adhere to local government air emission limits or national climate change targets, which without pose a risk of legal action and subsequent costs and reputational damage.</p> <p>To mitigate this we have a process within our supply chain to identify any legal breaches through requesting transparency from our production factories, cross checked through our continual audit programmes which reviews against local laws. Factories must adhere to our global Code of Practice and Environmental Policy as defined in our Supplier Manual and are audited annually to confirm compliance, and are surveyed annually to collect impact related data</p>
Market	Relevant, sometimes included	<p>Markets are considered and identified within our climate-risks within Superdry's integrated risk register.</p> <p>As with all climate risks it is assessed against our 5x5 impact-probability matrix over short, medium and long term and identified as a priority where risk is high - updated at least annually.</p> <p>The impact of climate change on our markets poses a severe risk, but also an opportunity.</p> <p>An example is that Superdry has a risk of reduced sales if climates change the buying habits of customers, because the majority of our sales come from winter-related products (e.g. jackets) which may reduce if climates are to warm and there is less need for thicker/warmer clothing.</p> <p>Superdry is also at risk of changing markets linked to reputation risk, where consumers increase their awareness or become more demanding / sceptical of brands and their impact on climate change</p>

		<p>which could reduce sales.</p> <p>We mitigate this risk by raising awareness of climate change, and our approach to reducing our impact. We do this via our annual report, our corporate website and the upcoming publication of significant transparency in our 24-page sustainability report in line with FY21 results. This articulates our strategy, core KPIs and how we are achieving our targets, including implementing our Net Zero targets to limit global temperature rise to 1.5°C in line with recommendations with the Paris Agreement .</p>
<p>Reputation</p>	<p>Relevant, always included</p>	<p>Reputation is considered and identified within our climate-risks within Superdry's integrated risk register.</p> <p>As with all climate risks it is assessed against our 5x5 impact-probability matrix over short, medium and long term and identified as a priority where risk is high - updated at least annually.</p> <p>Due to the increasing consumer awareness of climate change and media scrutiny of corporate environmental impact, reputation risk has been highlighted as one of our most severe risks. It is noted that there is a risk to Superdry if we cannot demonstrate its credentials in the areas of environment, we face significant reputational damage. For example, meeting regulation, offering lower carbon products, using renewable energy, and improving recyclability of packaging</p> <p>With the wider carbon transition that will see the UK aim to eradicate its net contribution to climate change by 2050, it is likely that such scrutiny will only increase in the future making this a risk over the short, medium and long term, which could in turn change the whole fashion industry.</p> <p>This Government lead transition is resulting in more awareness amongst Superdry customers, and more requirement for Superdry to respond to climate and sustainability related "reputational ratings". For example Superdry must respond to and ensure all information is available for 'Good on You', 'Fashion Transparency Index', 'MSCI', 'CDP' and 'Higg Index' to name a few.</p> <p>We aim to mitigate this risk through our integrated sustainability governance and strategy to "lead through sustainability" and improve our communications around this and our associated environmental reduction initiatives.</p> <p>Through an accurate data driven approach we aim to ensure we avoid any risk associated with "green-washing" aligning with upcoming legislation in this area.</p>

<p>Acute physical</p>	<p>Relevant, always included</p>	<p>Acute physical risk is considered and identified within our climate-risks within Superdry's integrated risk register.</p> <p>As with all climate risks it is assessed against our 5x5 impact-probability matrix over short, medium, and long term and identified as a priority where risk is high - updated at least annually.</p> <p>One of our priority risks here is the disruption to upstream logistics networks due to extreme weather events such as flooding, hurricanes and landslides. Superdry is at risk of reduced freight capacity (causing delays and potential lost revenue) due to port closures, shipping lane closures, reducing availability of containers or blocking routes (e.g. canals).</p> <p>Within our direct operations, acute physical climate risks appear most severely in increased extreme weather events (e.g. hurricanes, extreme heat, flooding) affecting retail operations through closure, or access issues.</p> <p>We are mitigating this risk, notably risk to acute physical impacts on energy supply by investing in understanding, reducing and reporting our of demand and converting to 100% renewable electricity.</p> <p>Another example of mitigation is across our global logistics in order to reduce distance required we have introduced a short-order process specifically with our Turkey production partners so that we are more agile to get our product to our markets where speed and certainty is required, or longer logistics routes have been impacted by climate change.</p> <p>Additionally, are building resilience to climate events, through alternative modes of transport that are lower carbon and more resilient for example rail links between the Far East and Europe, and Turkey and Belgium, as well as using barges on level controlled canals instead of roads.</p>
<p>Chronic physical</p>	<p>Relevant, always included</p>	<p>Chronic physical risk is considered and identified within our climate-risks within Superdry's integrated risk register.</p> <p>As with all climate risks it is assessed against our 5x5 impact-probability matrix over short, medium and long term and identified as a priority where risk is high - updated at least annually.</p> <p>With changing climates our priority risks relates to changes in availability of our raw materials. For example, in source countries (such as India, China, and Turkey) cotton volumes and yields may reduce with higher average air temperature, or lower annual rainfall meaning</p>

		<p>we have to source from further afield or produce fewer garments.</p> <p>We are mitigating this through our goals to use more low-impact materials which require fewer resources and are therefore less impacted by climate change.</p> <p>This includes:</p> <p>1) moving all our cotton to organic cotton by 2030. Organic cotton requires 60-90% less water and is therefore more resilient to changes in rainfall. It also has a lower carbon footprint in production, whilst increasing the amount of carbon sequestered in the soil by improving the soil quality and levels of organic matter (1/3 of the worlds soil is already degraded) in turn reducing impacts of climate change.</p> <p>2) moving all polyester jacket fill to recycled polyester. Recycled polyester requires 40% less energy and therefore lower carbon emissions.</p> <p>3) increasing our use of recycled cotton to de-risk short and medium risks associated with organic cotton, and utilise a waste resource which is not susceptible to chronic physical climate risk.</p>
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C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Reputation

Increased stakeholder concern or negative stakeholder feedback

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

Reputation (Transition Risk).

There is a reputation risk to Superdry if we cannot demonstrate our positive sustainability (including climate) credentials to our consumers, customers and investors.

Recent growth in the public awareness of environmental impact from corporate industry (notably high impact industries such as fashion) in part through scrutiny within mainstream media (e.g. prevalent television documentaries) has increased the impact of this risk.

The risk is present now in the short-term, however with the wider carbon transition that will see the UK aim to eradicate its net contribution to climate change by 2050, it is likely that such scrutiny will only increase in the future and remain a risk over the medium and long term. The impact to Superdry is on our direct operations, through significant reputational damage leading to reduced revenues, as well as likely to have impacts on our capital availability through shareholder relationships. We know that Superdry retail customers are interested in sustainability through their engagement with us on social media, as well as our wholesale customers through their ambitious sustainability related requests and criteria for business. We therefore need to mitigate this risk.

Time horizon

Short-term

Likelihood

Unlikely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

2,000,000

Potential financial impact figure – maximum (currency)

3,500,000

Explanation of financial impact figure

Increased stakeholder concern or negative feedback, has a risk of leading to decreased revenues from negative brand reputation.

Our risk 'Impact' will always be relatively significant on the basis that our industry has a large effect on the environment which is mostly outside of our direct control. As we start to be more vocal about our sustainability credentials, we may receive additional shareholder scrutiny. Additionally, we are we are a consumer goods brand adding more consumables to an increasingly deteriorating environment. However, implementation of our strategies, policies and reporting can reduce our exposure.

Using our company risk register and impact-probability matrix, which is reviewed quarterly and approved by our audit committee, we have identified this risk to have a moderate (medium) impact - within the region of £2m - £3.5m (0.4% - 0.6%) potential impact on our revenue. We estimate it at this level, lower than others in the industry, as we are implementing significant priority mitigation measures for this risk and our brand and products are positioned as high quality, durable, slow-fashion items which is easier to manage related climate risks, introduce environmental reductions and receives less public scrutiny.

Revenue (£556.6m) * (0.4/100) = £2m

Revenue (£556.6m) * (0.6/100) = £3.5m

Cost of response to risk

910,000

Description of response and explanation of cost calculation

We've mitigated this risk with controls that ensure we operate our business in an environmentally sustainable manner, reducing our impact on the environment, in turn reducing exposure to loss of revenue from negative reputational change. Our priority control measures are:

Integrated Governance:

We have a centralised sustainability team of 3 people (led by our Head of Sustainability; reporting to our Director of Sourcing & Sustainability) who deliver a strategy by engaging and integrating sustainable thinking across all Superdry departments. This is tracked & managed through both Squads and >50 Sustainability Warriors, and is upheld by an annually updated environmental policy shared with all employees & our supply chain, emphasising our position & strengthening environmental management all over.

Transparent Reporting:

We publicly demonstrate our environmentally sustainable operations where realised, tangible & meaningful to abate risk of brand reputation. We maintain an up-to-date corporate website to publish such information, including our "truth series" which share complete transparency of our sustainability ambitions & progress with our investors & customers. We use multiple reporting, certification, verification & assurance mechanisms to understand, calculate, manage & publish our impacts. This includes reporting to CDP on climate change related risks, opportunities & impacts (our disclosure & score is made public each year), calculating our global carbon emissions to the recognised global GHG Protocol standard, and verifying them through a third party to the recognised global ISO 14064-3 standard.

Sustainable Materials:

Moving to 96% of our product having a sustainable attribute by 2030 (e.g. Organic Cotton, Recycled, Tencel, Hemp). This year, 33% of our garments had a sustainable attribute and are highlighted to our customers on our website with a "sustainably sourced" tag. We use Textile Exchanges' Preferred Fibres Benchmark to define

materials in scope of this tag.

Responding to this risk through these mitigation measures is part of Superdry's sustainability strategy (part of our company 5-year business plan). As part of our annual governance disclosure, we publicly report our annual sustainability programme spend. The cost is the sum of multiple aspects that contribute to our sustainability & responsibility programmes such as overheads, memberships, projects & verification. It's calculated as 0.16% of revenue.

$£556.6m * (0.16/100) = £910k.$

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Chronic physical

Changes in precipitation patterns and extreme variability in weather patterns

Primary potential financial impact

Increased direct costs

Company-specific description

Chronic Physical (Physical Risk).

Superdry is heavily reliant on key raw materials such as cotton (51%), polyester (44%), cellulosic/other fibres (5%), across key global markets (including Turkey, India, China) to make our products which are all impacted in varying degrees by the effects of climate change and other environmental challenges.

With changing climates our priority risks relates to changes in availability of our raw materials and subsequent increased costs or reduced availability.

Our single largest raw material sourced, and most material risk here, is cotton – which is in 72% of our products. As cotton is an agricultural commodity (predominantly grown in India and China) there is a substantive financial and strategic impact due to the risk on availability and yield from changing rainfall availability. We have identified that rainfall changes are having additional short term risk also as organic cotton is more commonly reliant on rainfall than artificial irrigation (90% of Superdry's organic cotton farmers are rainfed) which makes them more susceptible to climate impacts of rainfall patterns. This impacts the timing of sowing and ultimately timing of harvest and yield.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

25,000

Potential financial impact figure – maximum (currency)

1,600,000

Explanation of financial impact figure

The impact of reduced availability and yields will lead to higher commodity costs.

This year we saw significant cost increases to organic cotton, in the region of 70% between April 2020 and April 2021, due to low availability after the monsoon season in India was late.

Using our company risk register and impact-probability matrix, which is reviewed quarterly and approved by our audit committee, we have identified this risk to have a medium-high impact.

Based on our annual organic cotton lint bought, this would cause an annual cost increase in the estimate range of £25k - £1.6m based on the cost of a cotton "candy" rising by up to 70% - as seen during the shortage peak in FY21 – and without mitigation measures explained in this report (early buying, investment in farmers, recycled cotton) – is possible and would result in an increase in FOB (Freight On Board) cost.

Total cotton tonnage * 1% price increase = £25,000

Total cotton tonnage * 70% price increase = £1,600,000

Cost of response to risk

910,000

Description of response and explanation of cost calculation

We will continue to monitor our most important raw materials and ensure our buying strategy actively mitigates ongoing risks, including climate related. We have booked >2m garments early for our Spring 22 season where we know organic cotton will be required.

Over the long term we'll transition our cotton use to organic cotton (65% by 2025; 100%

by 2030) reducing the product impact & its susceptibility to climate risk. This is by requiring 60-90% less water, having a lower carbon footprint in production, and improving soil quality by increasing levels of organic matter which increases volume of carbon sequestered in the soil (in turn reducing impacts of climate change). We're further mitigating this by investing in training 20,000 farmers to transition to organic practices by 2025 (we've already trained 1,824 & committed to increase this to >6,500 farmers next year) to increase availability.

Over the short term we'll further de-risk this commodity by sourcing the transitional (organic precertification) cotton these farmers grow, helping reduce the volume of degraded soil (currently 1/3 of worlds soil is degraded). This is in addition to purchasing recycled cotton to allow for greater flexibility. Additionally, we'll continue to directly source organic cotton from farm to get an early view of the risks at sewing. 19% of our organic cotton footprint in FY21 was traced back to farm.

The cost of responding to this risk will fall within the management of our raw material risk and our transition to our use of low impact materials, via the Superdry Sustainability Strategy (part of our company 5-year business plan). As part of our annual governance disclosure, we publicly report our annual spend on our sustainability programme. The cost is the sum of costs from multiple aspects that contribute to our sustainability & responsibility programmes. This includes our global sustainability team overheads, including our regional offices who have ethical, technical and sustainability managers. These Superdry staff hold close relationships with our factories and raw material supply chains (supporting our farmer training programmes), meaning they're able to monitor the market closely and identify changes to cotton commodity prices, allowing us to purchase fabric early and abate some of these cost increases. These overheads, in addition to any relevant memberships, projects & verification, are calculated as 0.16% of our revenue.

Revenue (£556.6m) * (0.16/100) = £910k pa.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

We moved tens of millions of garments this year via a combination of sea, air, road and rail freight. We prioritise the use of sea-freight where possible, moving >20m garments by sea freight this year and are therefore reliant on access to containers and continual movement of the shipping lanes. We therefore are posed with risk of reduced freight capacity due to external climate related factors which will result in an increased indirect (operational) costs from our logistics as extreme weather events cause impacts on ports and shipping lanes by closing locations, reducing availability of containers, blocking routes (e.g. canals) or force us to use more expensive (and more carbon intense) air-freight.

Where we need to use air-freight in order to meet business continuity and resilience targets (i.e. time constraints) we are at risk of increased costs (e.g. through increasing fuel costs from carbon taxes). In addition to increased costs we may find that we are able to get less product to final markets if airfreight is impacted by the same climate events, therefore reducing our revenue.

The carbon impact of using air-freight is significant to our Scope 3 (category 4) emissions as airfreight has an emissions intensity 89 times greater than sea freight. Our reductions to date have reduced associated carbon emissions by >18,000 tonnes pa.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

2,000,000

Potential financial impact figure – maximum (currency)

3,000,000

Explanation of financial impact figure

Continued caps on our use of air-freight mean logistics cost is minimised due to better planning. In FY19 we air-freighted 11% of our garments, but have reduced this to 5% in FY21, saving the business in the estimated range of £2m - £3m based on the cost of airfreight vs sea freight. Therefore the estimated cost of the having to go back to using this much air-freight due to reduced delivery to market lead-times from climate impacts would be in the estimated range of £2-3m (in addition to reputational costs for failing to

meet our targets).

Using our company risk register and impact-probability matrix, which is reviewed quarterly and approved by our audit committee, we have identified this risk to have a moderate (medium) impact.

(Average cost of Air freight - Average cost of sea freight) * Additional 6% units = £2-3m

Cost of response to risk

0

Description of response and explanation of cost calculation

As part of our sustainability strategy and mitigation measures we have set a target to reduce our reliance on air-freight, reducing our use of it by 52% since 2019, to reduce exposure to cost increases. We have achieved this by amending our business calendar to ensure better planning and execution, which we will continue with in order to achieve our airfreight cap, of 2%, practically going forward.

Through prioritising sea freight we have improved our efficiencies and critical paths to allow for require logistics timeframes using lower carbon methods (e.g. sea). In order to reduce distance required we have introduced a short-order process specifically with our Turkey production partners so that we are more agile to get our product to our markets where speed and certainty is required, or longer logistics routes have been impacted by climate change. Finally we are building resilience to climate events, through identifying alternative modes of transport that are lower carbon and more resilient, for example rail links between the Far East and Europe, and Turkey and Belgium, as well as using barges on level controlled canals instead of roads. For example, this year we introduced the use of barges to move some of our products between the Belgium coast and our inland warehouse. This year we have converted 39% of the movements away from road vehicles to barges which have a 56% carbon saving per container.

There is not a direct cost to these mitigations as shorter distances and lower carbon modes are predominantly cheaper, therefore assumed £0. There is instead a saving, as we maximise our use of the more cost effective and less carbon intense sea freight or production in source countries closer to our end markets therefore reducing distance and our risk of impact.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

As part of our business strategy we are moving to full price sale stance, reducing the amount of time spent and number of products sold in "sale" (at price markdown). Our sustainable garments are a core driver of this goal and therefore an opportunity exists to increase revenues by increasing our sustainable product mix (more garments with our "Sustainably Sourced" tag) which use sustainable, low carbon (low climate impact) materials, at full price as the consumer demand for these products increases and purchasing habits improve to higher quality products at full price and "slow fashion" principles.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

33,000,000

Potential financial impact figure – maximum (currency)

50,000,000

Explanation of financial impact figure

Through our strategy to move more product, notably our sustainable product mix, to full price sales, we expect to see a significantly increase in our gross margin.

Without external guidance to help us understand this impact we have instead used our internal projections and current analyst consensus. This shows that sales in FY22 are expected to increase between 20%-30% year-on-year, in part as we begin to recover from the impacts of Covid-19. Of these sales, in the region of 30% volume is attributed to sustainable volume bought (33% sustainable product mix reported in FY21), equivalent to between £33m and £50m of the forecasted revenue increase, based on FY21 revenue reported.

Revenue * total expected sales increase (20-30%) * sustainable product mix (30%)
 $£556.6m * (20/100) * (30/100) = £33m$
 $£556.6m * (30/100) * (30/100) = £50m$

Cost to realize opportunity

910,000

Strategy to realize opportunity and explanation of cost calculation

We are already investing heavily in shifting to use of 100% organic cotton by 2030 (already at 30% of cotton products in 2021) which drastically reduces the climate impact of making the cotton-based garment. We are also investing heavily in moving 100% of the padding we use in our outerwear to Recycled Polyester by the end of Autumn Winter season 21, which reduces energy required in its production by 40%. We do not add a premium to these products as believe sustainability should not cost the consumer, however there is a expected uplift in sales this year, with a higher sustainable product mix (organic cotton and other sustainable materials) in our range. Use of sustainable materials are considered key opportunities for future growth and innovation in the business and are incorporated into our strategic and financial planning. We aim to have 96% with a sustainable attribute by 2030 and have already achieved 33% in 2021. This is advertised to our consumer base on our website with a "sustainable sourced" tag.

The cost to realise this opportunity is a combination of multiple factors but predominantly relates back to the cost the Superdry Sustainability Strategy, which forms part of our company 5-year business plan. This includes the overheads as well as farmer training, projects, certification and more that ensures our sustainable products are sincere, true, and a significant part of our product mix - all made aware to the customer. As part of our annual governance disclosure, we publicly report our annual spend on our sustainability programme. The cost is the sum of multiple aspects that contribute to our sustainability & responsibility programmes such as overheads, memberships, projects & verification. It's calculated as 0.16% of revenue.

Revenue (£556.6m) * (0.16/100) = £910k pa.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient modes of transport

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

We have identified the high environmental and financial cost to our global logistics (especially air travel) so there is an opportunity to save cost and carbon as logistics prices increase (e.g. through increasing fuel costs and carbon taxes relating to climate change on more climate damaging modes). We identify an opportunity to move to more sustainable transport solutions via

- 1) developing technologies and market saturation of lower carbon transport modes (e.g. electric vehicles) and,
- 2) greater use of alternative lower carbon modes that already exist (e.g. sea freight instead of air freight).

For example, this year we introduced the use of barges to move some of our products between the Belgium coast and our inland warehouse. This year we have converted 39% of the movements away from road vehicles to barges which have a 56% carbon saving per container.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

3,500,000

Potential financial impact figure – maximum (currency)

4,500,000

Explanation of financial impact figure

Reducing our use of airfreight (from 11% in FY19 to 5% in FY21) for our garments has saved already saved the business £2.8m. Sea freight is >70% cheaper than airfreight and therefore reducing to our suggested cap of 2% gives us an opportunity in the estimated range of £3.5 - 4.5m (based on FY21 volumes and vs FY19 airfreight %).
 (Average cost of Air freight - Average cost of sea freight) * 9% unit reduction = £3.5 - 4.5m

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Part of our sustainability strategy is to achieve Net Zero carbon emissions within our global logistics partner operations by 2030. We will approach this through initial collaboration with our supplier partners, once we have baselined our impact, to understand how they are approaching climate opportunities and environmental reduction. This will include exploring potential to realise opportunities through moving to lower carbon final mile deliveries (e.g. electric) where possible. In addition, we are making the internal choices to use less airfreight due to increasing costs, through better planning and stock management. Therefore the cost to realise opportunity is negligible and assumed £0 for this.

Comment**Identifier**

Opp3

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Resilience

Primary climate-related opportunity driver

Resource substitutes/diversification

Primary potential financial impact

Reduced direct costs

Company-specific description

We have identified the opportunity to procure more low-impact materials as their market saturation improves with increased demand, and their resilience to climate impacts is enhanced.

New low-impact recycled materials are becoming available which we are using in products to displace the traditional higher carbon and more climate impacted materials. For example Superdry is using recycled polyester in 100% of its jacket fill from our Winter 2021 season. Availability of this is increasing due to environmental drive for increased recycling and reduction in virgin polyester suitability due to pressure to reduce oil (fossil fuel) consumption.

The main opportunity in new sustainable and low carbon materials has arisen from us to use waste from own production to recycle into useable recycled cotton yarn. This waste would have previously been discarded as it would not have been valued however with the increased demand for more sustainable materials, the increased cost of raw (virgin) materials and their associated climate impact. Last year our recycling partners collected and processed 418 tonnes of fabric waste from two Superdry factories, which is enough to make the equivalent of 1.5m Superdry T-Shirts. We plan to increase this to 2,000 tonnes per annum by 2025 which is enough to make the equivalent of 7.5 million T Shirts.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

400,000

Potential financial impact figure – maximum (currency)

1,200,000

Explanation of financial impact figure

This opportunity presents a cost reduction in our garments as our suppliers receive payment for their recycled cut waste which was previously costing them to dispose of. This can be used to purchase the recycled yarns at a reduced cost, lowering the cost of the garment manufacture. Based on our target of 2000 tonnes of fabric collected pa by 2025 and a range in the premium paid depending on material type and quality of £20-60 / tonne, we estimate the opportunity of direct cost reduction to be £400,000 - £1,200,000 pa.

Tonnes recycled * average recycling premium = £400k - £1.2m

2000 * £20 = £400k

2000 * £60 = £1.2m

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

We have identified suppliers that are able to invest in technology to collect fabric cut waste, recycle this into 'recycled cotton' yarn before producing new garments with it. This year we committed to buying this yarn to put into production for a collection within our Autumn Winter 2021 season. This will be a collection of >10,000 garments within a 'Superdry Recycled' style, made from the recycled cotton yarn and fabric.

The cost to realise this opportunity is negligible as it identifies a valued resource within an existing waste stream and processes. There is no investment to maximise this potential as the existing waste fabric is simply sent to a different supplier (Else our partner fabric recycler) rather than a waste disposal company.

Comment

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Move to more efficient buildings

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

We have identified an opportunity to become more resource efficient within our buildings, leading to reduced indirect (operating costs). As technology advances and its adoption increases, in part driven by our global response to climate action, its cost reduces. Linked with the increased risk of reputation damage from inaction there is an opportunity for us to invest now to reduce our energy consumption in turn reducing operating costs and our carbon emissions, whilst leading our industry with optimised buildings.

We have been able to identify that investing in LED and Building Management Systems (BMS) across 100% of our global stores and main third-party warehouses we can optimise our energy use, reducing it by a further 4,500,000 kWh pa. To date we have

already converted 45% of our estate to LED lighting and 55% of our estate to BMS smart controls, driving our 35% reduction in energy use between 2014 and 2020. This is in addition to upgrading 100% of the lighting to LED in our two largest warehouses saving a further 950MWh (273 tonnes CO₂e) pa.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

940,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Over many years we have installed energy reduction and efficiency technologies in our global stores and offices. To date both LED and BMS technology have proven the 'best in class' with BMS providing, on average, a 20% reduction in electricity and LED providing, on average, a 28% reduction in electricity (based on 70% reduction in bulb wattage and lighting accounting for an average of 40% of our sites energy footprint). We have identified all remaining sites which are currently not 'optimised' and identified an average saving of 27% across their annual energy spend, with additional savings over whole life costs of longer running hours from LED etc then there is an average saving across all 145 sites of £6.5k
 $£6.5k * 145 \text{ sites} = £940k$

Cost to realize opportunity

1,800,000

Strategy to realize opportunity and explanation of cost calculation

Over many years we have installed energy reduction and efficiency technologies in our global stores and offices. We will continue this strategy with our selected two priority energy optimisation technologies, installing them across all remaining sites over the next 3 financial years. This strategy was developed and proposed to our CAPEX committee this year and approved.

The estimated cost of installing these is based on the average size of our retail store portfolio and our warehouses and the average cost of the technology (LED = £40-60 per

bulb) and BMS (£5,000 - £10,000 per store).

We have around 150 sites left to optimise over the next 3 years and with an estimated cost of £12.5k per store our required investment is £1.8m.

145 sites * £12,500 = c.£1.8m

To date we have swapped 100% of the lighting to LED in our two largest warehouses saving an additional 950,000 kWh (and 273 tonnes CO2e) per annum. We are prioritising sites with the most reduction to be achieved, which all have payback of under 2 years. We will review small sites where the payback is between 2 - 3 years within our project planning each year to ensure it is still viable.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Is your organization’s low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	No, but we intend it to become a scheduled resolution item within the next two years	<p>Our low-carbon transition plan was updated this year and is included within our sustainability strategy. This year our sustainability strategy was integrated as part of our 5-year strategic business plan and approved by our Board.</p> <p>We have therefore not yet included our low-carbon transition plan as a scheduled resolution item at our Annual General Meetings and it will not be included this year. Our results and strategy will be released and available to all our shareholders through our Annual Report and our bespoke Sustainability Report (24 pages) in September 2021.</p> <p>We will explore making our sustainability strategy a scheduled resolution item at our AGMs from FY22 onwards, with our Governance team to understand the potential routes for this in the</p>

		future, as well as the interest from our shareholders for this to become an advisory item at future AGMs.
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C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.2b

(C3.2b) Why does your organization not use climate-related scenario analysis to inform its strategy?

We have historically used the Sustainable Development Goals (SDGs), established risk assessment processes (in areas including materials planning, human rights, and climate risk), the Paris Climate Agreement, and the HIGG Materials Sustainability Index to inform our strategy priorities and impact materiality.

We have assessed our alignment to the SDGs and identified which goals to prioritise focus on, developing a strategy that uses country specific risk and materiality of the SDGs.

To support the outcomes of the Paris Climate Agreement we know we need to reduce ours and our supply chain emissions by half (50%) by 2030 and achieve Net Zero by 2050. Our current strategy will achieve this.

In 2020 we developed and signed off a new an updated sustainability strategy which focusses on our material impact areas across our product, our planet and our people, by using sustainable materials at scale, reaching Net Zero carbon emissions and creating positive change. This year our Board approved our integrated sustainability strategy and the associated multi-million pound budget over the next decade, which includes our Net Zero ambition that have end goals that aligns with the science for a 1.5°C future, through a reduction > conversion > offsetting methodology.

As a next step we are reviewing our strategy methodology and interim targets to align even further with the decarbonisation pace needed to meet a 1.5°C degree future through adoption and setting of a Science Based Target.

We do however recognise that climate-related scenario analysis is becoming a widely used useful tool in climate related risks and opportunity planning.

This year we started work to explore climate scenario planning and how it could fit into our approach to risk and strategic and financial planning, with the intention of integrating it into these areas within the next two years.

We have identified that scenario analysis is a key method of exploring and assessing how climate-related risks and opportunities may evolve, as well as the potential business implications on Superdry. We have started to research the most suitable models and gained an understanding that models including RCP 2.6 and IEA 2DS are useful for us to define our

scenarios, as we wish to align with a 1.5°C future, so we will continue our research into these over the next year.

Through this we can appropriately incorporate the potential effects of climate change into our planning processes. Next steps for us over the next 2 years are to:

1. Identify Governance
2. Reassess materiality of our different transitional and physical risks
3. Identify & define appropriate scenarios to run, starting with a publicly available well below 2°C scenario
4. Evaluate business impacts on operating costs, revenue, supply chain, business interruption, efficiency
5. Identify potential responses such as changes to our business models or investment in new technology

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>As a fashion brand our climate impact extends beyond our operations.</p> <p>McKinsey Fashion 2020 estimates 70% of the fashion industry’s baseline emissions were from garment production (material production: 38%).</p> <p>The materials we use therefore impact the climate but also have a substantive risk from it and its impacts on our supply chain. This has influenced our strategy. As members of the HIGG Index we’ll continue to track product carbon impacts.</p> <p>We identify a risk to our raw material sourcing with substantive financial or strategic impact, due to the climate change impacting rainfall & weather patterns (C2.3a Risk 2).</p> <p>Our single largest raw material sourced, and most material risk here, is cotton. As cotton is an agricultural commodity, geographically concentrated in a few countries, there’s a substantive financial & strategic impact due to the risk on availability & yield from changing rainfall patterns.</p> <p>In the short term we’ve identified rainfall changes impacting our organic cotton as it is more commonly reliant on rainfall</p>

		<p>than artificial irrigation (90% of Superdry's organic cotton farmers are rainfed) making them more susceptible to climate impacts of rainfall patterns; impacting the timing of sowing, harvest & yield.</p> <p>We're mitigating this risk by incorporating transitional (organic pre-certification) and recycled cotton into our product mix to allow for greater flexibility. We partner with recycling units collecting cut waste from factories; processing 418 tonnes of fabric in FY21 (equiv to 1.5m Superdry T-shirts) reducing product carbon emissions. We've committed to buying this yarn for our Winter-21 season for a new range of 'SD Recycled' garments, made from 100% recycled yarns & trims. We're extending the scheme beyond Turkey to India next year.</p> <p>Over the long term we're transitioning our cotton use to organic cotton (65% by 2025; 100% by 2030). Organic uses 60-90% less water, has lower carbon emissions and significantly improves soil quality (1/3 of worlds soil is already degraded) by increasing the organic matter, including sequestering more carbon, improving its resilience to climate change.</p> <p>We'll also continue to directly source organic cotton from farm, through farmer training (>1,800 this year; 20,000 by 2030) to get an early view of the risks at sowing. 19% of our organic cotton footprint in FY21 was traced back to farm.</p>
<p>Supply chain and/or value chain</p>	<p>Yes</p>	<p>As with many businesses we know we're reliant on a large supply/value chain. We therefore include key partners within our sustainability strategy to ensure they're reducing their own impact and building resilience to climate change, therefore reducing our risk of service interruption.</p> <p>Within our risk register we consider Acute Physical risk (C2.2a) from extreme weather events. One risk we've identified with potential substantive financial or strategic impact is on the increased severity and frequency of extreme weather (e.g. cyclones and floods) on our global distribution & logistics (C2.3a - Risk 3).</p> <p>This has influenced our strategy to include our distribution & transport (logistics) supply chain partners within our sustainability strategy, with the aims of reducing their impact to lower the impacts of climate change but also to build in resilience.</p>

		<p>Most notably with this is our commitment to reach Net Zero with our distribution partners by 2025 and with our logistics partners by 2030.</p> <p>Distribution Partners: Reducing their impact, and converting to renewable electricity.</p> <ul style="list-style-type: none"> - Investing in LEDs at our 100% of warehouses to reduce their lighting energy by 70%. - Converting all warehouses to 100% renewable electricity by 2025, following our own achievement of this. To date we've switched 67% to renewable, reducing their impact and removing their reliance on finite fossil-based energy, as well as the impacts of extreme weather events on grid power where on site renewables are installed, such as the solar array installed at our UK warehouse. <p>Logistics partners: Building resilience to climate events, through alternative modes of transport that are lower carbon and more resilient, including rail links between the Far East and Europe, and canal barges in Belgium.</p> <p>We're also extending our reduction & conversion strategy to our supply chain to mitigate similar risks.</p> <ul style="list-style-type: none"> - 12% of factories using renewable electricity (target: 100% by 2030). - 15% of factories have certified to ISO 50001 to enable better energy managements & reduce energy (average saving = 13%) (target: 100% by 2030). <p>Continued tracking going forward will be in partnership with the HIGG Index, of which we are a member. 35% of our garment suppliers have completed the HIGG Factory Environment Module (FEM) where we can then find out more about environmental impacts, strategies and governance of them.</p>
Investment in R&D	Yes	<p>To meet our sustainability strategy, mitigate any climate related risks and capitalise in any climate related opportunities we've identified the need to invest in R&D that will support this. For example, to transition to 100% organic cotton by 2030 (65% by 2025) we know we cannot just look to existing supplies as we would need 6% of the total global supply to meet 100% of our demand (FY21).</p> <p>To make our goal sustainable we committed to tackling supply issues at the bottom of the chain. In 2018 we joined</p>

		<p>the Organic Cotton Accelerator (OCA) to collaborate with other brands & supply chain actors to address sector-wide challenges, including supply security to our organic supply chains. We've invested in seed R&D to enable greater supply of more productive non-GMO seeds; increasing yields from 500 to 700 kg/acre.</p> <p>Superdry is committed to invest in 20,000 cotton farmers across India by 2025 to help them through the Organic conversion process to increase availability. In 2021 we invested in training 1,824 farmers in Madhya Pradesh, India who will achieve full organic status within 3 years. In FY22 we've extended our investment to >6,500 farmers.</p> <p>We're also investing in other sustainable & lower carbon materials including recycled polyester (for our padded jackets from household recycling centres close to production in China), Tencel, Yak, Hemp & vegan materials. Our mainline collection takes inspiration from these products, increasing the total number of sustainable options each season. This year 33% of our garments bought had a sustainable attribute.</p> <p>All this is supported by our Centre of Excellence centre within our Creative team who invest into sustainable material R&D for future product seasons, we are looking onto fibres which can be used alongside recycled fibres increase their strength and therefore widen their use to more products.</p> <p>To achieve Net Zero emissions in our logistics partner operations by 2030 we're working with our partners to plan a decarbonisation route. This will involve investment as legislative support does not yet exist (the recent UK Government's Transport Decarbonisation plan puts much emphasis on decarbonisation / net zero aims to 2035-2050.</p> <p>We expect there to be a need to invest in meaningful carbon removal credits as a final option which will require significant research to maximise the impact of our investment.</p>
Operations	Yes	<p>Our direct operations are susceptible to several transition and physical risks.</p> <p>A combination of these (including reputation, current and emerging legislation, technology and acute physical) highlight our risk around energy security.</p>

		<p>Our direct operations are very reliant on a secure power supply to successfully function, however the impact of climate on the national energy infrastructure where we operate could be significant.</p> <p>This is mostly through increased demand that outweighs supply causing blackouts, or extreme weather or black outs from flooding of infrastructure or excessive operating temperatures.</p> <p>In addition to this however is a need to understand our energy consumption with the Streamlined Energy and Carbon Reporting legislation in place, as well as our reputation as an energy efficient company and the type of energy we source.</p> <p>We minimise these risks through our approved and science aligned strategy to reach Net Zero which ensure we invest in understanding & reporting our demand, reduce this demand and convert our usage to 100% renewable electricity.</p> <p>We have invested in smart metering and an energy manager role and now maintain our strategy to have full transparency on our energy use to which we can then apply the best energy efficiency measures.</p> <p>We have reduced our energy consumption by 35% between 2014 and 2020 and are working towards a further 25% reduction between 2020 and 2025. This has notably been through a key energy strategy to replace lighting with LED and install Building Management Systems (BMS) across our stores and offices. Finally, we were early adopters of a strategy to switch to 100% renewable electricity in our own operations and achieved this in 2017.</p> <p>We are now furthering this by converting other energy uses (e.g. gas) into renewable which we have so far achieved across all our UK supply.</p>
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C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs	<p>To support the outcomes of the Paris Climate Agreement we know we need to reduce ours and our supply chain emissions by half (50%) by 2030 and achieve Net Zero by 2050. Our current strategy will achieve this.</p> <p>In 2020 we developed and signed off a new an updated sustainability strategy which focusses on our material impact areas across our product, our planet and our people, by using sustainable materials at scale, reaching Net Zero carbon emissions and creating positive change. Our Board approved this strategy and the associated multi-million pound budgeted costs over the next decade which includes our Net Zero ambition that have end goals that aligns with the science for a 1.5°C future, through a reduction > conversion > offsetting methodology.</p> <p>These costs are incorporated to our financial budget planning and the strategy is used to define priorities where annual expenses will arise and planned for in each OPEX and CAPEX budget.</p> <p>Revenues: Climate related opportunities have influenced our financial planning for revenue where we have built in specific projected sales for our sustainable material product mix.</p> <p>Our sustainability strategy, integrated within our 5-year strategic business plan, set ambitious aims across our sustainable product mix, including to convert 100% of our cotton to organic by 2030 (and have already achieved 25% in FY21) and for 96% of our product to have a sustainable attribute by 2030 (and have already achieved 33% in 2021).</p> <p>Use of sustainable materials are considered key opportunities for future growth and innovation in the business and are incorporated into our strategic and financial planning.</p> <p>Vegan trainers are a more sustainable product option with a minimal cost impact while enabling the business to increase trust with our customer, loyalty and brand association with sustainability.</p> <p>Organic cotton has a comparatively small overall impact on margin while drastically reducing the impact of our raw material sourcing on the environment.</p>

	<p>Both are considered key opportunities for future growth in the brand. As we have been able to consolidate supply of recycled polyester padding to 3 mills in China we have been able to maximise our volume of recycled polyester sourced – with a 40% lower energy footprint compared to its virgin alternative – with minimal impact on margin.</p> <p>We are also using climate related opportunities with sustainable material to produce new sustainable material collections. This includes reducing our waste, and utilising a raw material source of increasing value, with our recycled cotton range made from our factory cut waste (such as detailed in C2.4 – Opportunity 3).</p> <p>We do not add a premium to these products as believe sustainability should not cost the consumer, however we have incorporated a forecasted uplift in sales into our financial planning , through the availability of organic cotton (and other sustainable materials) in our range.</p> <p>Direct costs: Climate-related risks and opportunities have been considered into the financial planning through the consideration of the direct costs associated with products in our sustainable product mix. As a result of our investment in sustainable products (most notably vegan trainers and organic cotton items); there is a direct influence on our margins as a result of the increased direct costs incurred to produce these. By buying in organic volume in advance, and securing supply through farm projects, we have been able to control the overall impact on margin.</p> <p>Nonetheless, the impact of including these opportunities in our projected sales means the impact on direct costs are inherently considered throughout our financial planning.</p> <p>This year we have also incorporated the impact of a new sampling process into our financial planning. This new process has been brought in to:</p> <ul style="list-style-type: none"> • Reduce our environmental impact • Maximise the opportunity to reduce waste • Invest in new low carbon, climate resilient, technologies • Improve our resilience to impacts of climate change on global logistics • Improve our efficiencies and speeds of ensuring product is appropriate quality and fit to last. <p>The new process includes virtual product development and onsite 3D printing sampling and will allow us to reduce the volume of materials, or new product samples purchased. Within this we have planned in for a</p>
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		<p>saving of £1-2m per annum.</p> <p>Indirect costs: Due to the significant impact on the environment, we have made a conscious effort to reduce our use of air freight when moving product from suppliers to warehouses. Instead, we now incorporate the costs of moving product through more energy efficient, lower carbon, lower cost alternatives (e.g. sea freight) as use of air-freight is only due to critical failures and requires sign off by a director. We have achieved this by amending our business calendar to ensure better planning and execution.</p> <p>In addition to this we have identified further indirect (operational) cost saving opportunities through our garment sampling process. We have moved our sampling process from UK to source country approval, removing the need to ship these garments (and the associated requirement to store and then dispose of these garments not through our normal sales channels). This is applied across 10,000 options with two sample garments each, the savings of which are now incorporated into our financial planning.</p> <p>We also consider during, and factor into, our financial planning moving our manufacturing and supply of products closer to the market they serve (e.g. rebalancing our supply base towards Turkey to be closer to Europe), reducing our carbon footprint as well as allowing us to respond to emerging trends in a more timely manner.</p> <p>We have decreased our staff travel budget in line with a move to a more virtual world (online meetings, conferences etc.); focusing on only travelling when it is unavoidable and/or essential. The move to virtual was accelerated by Covid-19; however, this is something as a business we plan to continue in the future and our financial planning reflects this.</p> <p>This year we have also worked towards reducing our stock inventory and continuing this into next year we have incorporated into our financial planning a reduction in stock by more than 2 million units, which will reduce our indirect costs associated with storage in our warehouses. We are specifically doing this through an aim to continue to increase the amount of foundation product (e.g. our organic cotton basics) in the collection, using a replenishment model and allows us to be more intelligent in our inventory buy, leading to reduced wastage.</p>
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C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

Our sustainability (including climate) strategy is mostly opportunity focussed. Our licence to operate through business as usual legal compliance is currently our main focus relating to climate risk. Our financial planning incorporates both where possible. We continually work to improve on our risk and opportunity assessments throughout the business.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2017

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 2 (market-based)

Base year

2014

Covered emissions in base year (metric tons CO₂e)

7,438.98

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2020

Targeted reduction from base year (%)

100

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

0

Covered emissions in reporting year (metric tons CO2e)

149.7

% of target achieved [auto-calculated]

97.987627336

Target status in reporting year

Achieved

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

In 2017 we set a target to reduce our Scope 2 emissions to 0 by 2020, through switching to 100% renewable electricity, based on our 2014 baseline where electricity accounted for 100% of our Scope 2 emissions. In 2021 (reporting year) we have introduced a new 'Net Zero' target as described in "Abs 2" after meeting this target and re-evaluating our strategy.

Progress against this target was deemed to be fully achieved as the target related to reducing our Scope 2 (market-based) emissions from electricity consumption to 0. This was achieved, however the reason there are reported emissions within this scope are that we now consumption 'Purchased Heating and Cooling' and the emissions from these fall within Scope 2. The emissions from 'Purchased Heating and Cooling' equate to the entire 149.70 tonnes CO2e reported, but fall in the same scope as our original target, reducing our performance against target to 98.0% achieved, despite achieving our switch to 100% renewable electricity two years early in 2017/18.

We continue to maintain this performance and extend to increased use of renewable electricity across our supply chain. These targets at present are shown in Low Consumption targets. These targets were originally derived because scope 2 emissions make up around 96% of our total Scope 1 and 2 emissions. Electricity consumption is also a prominent emissions route across lots of our Scope 3 emissions.

Target reference number

Abs 2

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2017

Covered emissions in base year (metric tons CO2e)

3,481.29

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2025

Targeted reduction from base year (%)

97

Covered emissions in target year (metric tons CO2e) [auto-calculated]

104.4387

Covered emissions in reporting year (metric tons CO2e)

331.77

% of target achieved [auto-calculated]

93.2679505313

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

In this reporting year (2021) we launched our new 5-year business strategy which incorporates 'Leading Through Sustainability' as one of the three core objectives, which includes our strategic initiative for Net Zero carbon emissions. We have split this initiative out into 3 milestones targets. The first milestone "Abs 2" target is to reach Net Zero emissions across our company-wide Scope 1 & 2 emissions, which we believe can be achieved through a very high % of absolute reduction. Our other milestones and their full 'Net Zero' ambitions are detailed in "Abs 3", "Abs 4", "Abs 5", "NZ1", "NZ2" and "NZ3".

We are achieving Net Zero via a 3-stage approach of 'Reduce', 'Convert' & 'Offset' with the latter being avoided where possible and only used where Reduce & Convert aren't possible. We're working to identify what proportion of our Scope 1 & 2 emissions we'll need to meaningfully offset, and given the below 3 points we are aiming for an absolute reduction to approx. 100 tonnes CO2e remaining, equivalent to a 97% reduction:

1) Our existing conversion to 100% renewable electricity which has reduced our

absolute emissions by 3,150 tonnes CO₂e (90%) to date.

2) Of our remaining 332 tonnes CO₂e emitted, 143 tonnes CO₂e is from our use of natural gas, which we believe we'll be able to convert all of this to renewable gas and reduce our absolute emissions from gas. This year we converted our UK Head Office gas supply to renewable sources. However, in order to understand the CO₂e emissions of using renewable gas and report this benefit in our emissions inventory we're waiting on updated guidance from WRI on accounting for Renewable Gas Guarantees of Origins (RGGOs) within Scope 1 emissions.

3) Beyond gas use our remaining Scope 1 emissions are from refrigerant gases in store & office HVAC units. Given our size and lease status at these sites it's not economically or practically feasible for us to replace these with 'zero carbon' refrigerant alternatives. Therefore we will have no option other than offsetting these remaining emissions.

From our understanding of climate science we believe that our 'Net Zero' targets align with the science for a 1.5°C trajectory. We intend to formalise this target by calculating & setting a Science Based Target in the next 1-2 years, helping improve our understanding of the decarbonisation pathway and pace required.

Target reference number

Abs 3

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 3: Upstream transportation & distribution

Base year

2017

Covered emissions in base year (metric tons CO₂e)

2,242

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

3

Target year

2025

Targeted reduction from base year (%)

90

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

224.2

Covered emissions in reporting year (metric tons CO₂e)

798.67

% of target achieved [auto-calculated]

71.5298840321

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

This absolute emissions reduction target "Abs 3" forms part of our first Net Zero milestone ("NZ1"), and is to achieve Net Zero emissions across our third-party distribution partner site operations by 2025, which we believe can be achieved through a very high % of absolute reduction.

We are achieving Net Zero via a 3-stage approach of 'Reduce', 'Convert' & 'Offset' with the latter being avoided where possible and only used where Reduce & Convert aren't possible. Emissions from our third-party distribution partner sites have been calculated to account for 3% of our total Scope 3 (Category 4: Upstream Transportation and Distribution) emissions.

We're working to identify what proportion of the emissions in scope we'll need to meaningfully offset, however given the below 3 points we are aiming for an absolute reduction to approx. 200 tonnes CO₂e remaining, equivalent to a >90% reduction:

- 1) By working with our third-party partners to already convert 67.5% of their electricity to renewable we have reduced related carbon emissions by 562 tonnes CO₂e, with a further 641 tonnes remaining from sites using non renewable electricity which can be removed.

- 2) The remaining emissions are from use of other fuels (gas, diesel etc) which we hope to be able to also convert to renewable in markets that allow this.

- 3) There will likely be some emissions from refrigerant gases used in site HVAC units. We will explore with our partners the potential to replace these with 'zero carbon' refrigerant alternatives where they exist. Where this is not possible there will be no option other than offsetting these remaining emissions.

We have identified this as a bespoke milestone target due to the high levels of influence we have over the operations of these third party sites to reduce their carbon emissions.

In order to ensure we have an accurate account of these indirect (Scope 3) emissions we will be undertaking a full Scope 3 assessment and calculation within the next year.

From our understanding of climate science we believe that our 'Net Zero' targets align with the science for a 1.5°C trajectory. We intend to formalise this target by calculating &

setting a Science Based Target in the next 1-2 years, helping improve our understanding of the decarbonisation pathway and pace required.

Target reference number

Abs 4

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 3: Upstream transportation & distribution

Base year

2017

Covered emissions in base year (metric tons CO₂e)

71,052

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

97

Target year

2030

Targeted reduction from base year (%)

70

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

21,315.6

Covered emissions in reporting year (metric tons CO₂e)

26,206

% of target achieved [auto-calculated]

90.1673623342

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

The second milestone "Abs 4" target is to reach Net Zero emissions across our third-party logistics (transportation) partner operations.

We are achieving Net Zero via a 3-stage approach of 'Reduce', 'Convert' & 'Offset' with the latter being avoided where possible and only used where Reduce & Convert aren't possible. Emissions from our third-party logistics (transportation) partner operations have been calculated to account for 97% of our total Scope 3 (Category 4: Upstream Transportation & Distribution) emissions.

We're working to identify what proportion of emissions in scope we'll need to meaningfully offset, but it is believed that we can achieve 70% through absolute reduction, due to:

- 1) Working to reduce the weight of our garments, which reduces the carbon emissions using the "distance based" method and associated "tonne.km" emission factors. To date, we've seen a >40% reduction in weight due to packaging removal, packaging alternatives, light-weighting packaging and better data collection
- 2) Our work on reducing our use of carbon intense logistics; notably reducing our use of air-freight. In 2021 our proportion of garments freighted by air was 62% lower than our base year. In addition we're also introducing lower carbon alternatives on some route such as river barges instead of road and intermodal (rail + sea) instead of road.

We've identified this as a bespoke milestone target due to:

- 1) These emissions are material to our full Scope 1-3 inventory (to our current knowledge)
- 2) We have greater ability to collect large volumes of high quality primary data in this category
- 3) We have a strong ability to influence change in this category due to relationships we hold with our partners
- 4) We've reviewed and aligned to wider industry and business ambitions, including British Retail Consortium (BRC) Climate Roadmap, which set specific transportation Net Zero targets.

In order to ensure we have an accurate account of these indirect (Scope 3) emissions we'll be undertaking a full Scope 3 assessment and calculation within the next year.

From our understanding of climate science we believe that our 'Net Zero' targets align with the science for a 1.5C trajectory. We intend to formalise this target by calculating & setting a Science Based Target in the next 1-2 years, helping improve our understanding of the decarbonisation pathway and pace required.

Target reference number

Abs 5

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 3 (upstream & downstream)

Base year

2017

Covered emissions in base year (metric tons CO₂e)

73,294

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2040

Targeted reduction from base year (%)

67

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

24,187.02

Covered emissions in reporting year (metric tons CO₂e)

32,976

% of target achieved [auto-calculated]

82.1023813723

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

Please explain (including target coverage)

The third Net Zero milestone relates to "Abs 5" target which is to reach Net Zero emissions across all our Scope 3 (Upstream and Downstream emissions) by 2040.

We are achieving Net Zero via a 3-stage approach of 'Reduce', 'Convert' & 'Offset' with the latter being avoided where possible and only used where Reduce & Convert aren't possible.

Emissions from our complete scope 3 (upstream and downstream) inventory are currently only partially calculated. In order to ensure we have an accurate account of these indirect (Scope 3) emissions and define a true and meaningful target, we will be undertaking a full Scope 3 assessment and calculation within the next year.

We currently do not know the full inventory or how much we will need to meaningfully offset. This target will be updated next year once we have more accurate data but we are committed to Net Zero through as much absolute reduction as possible by 2040. Provisionally we have identified a few key categories* that will be the most material parts of our Scope 3 inventory to which we have already begun identifying reduction routes. We are therefore confident in a minimum absolute reduction of 67%.

- 1) Category 1: Purchased Goods and Services. This will be the most material category and so to reduce our impact in this area we defined one of our 11 business strategic initiatives around 'Low Impact Materials' which include moving 100% of our cotton to organic and 100% of our polyester fill to recycled, both are materials that have lower carbon emissions.
- 2) Category 4: Upstream Transportation and Distribution. We are undertaking reduction programmes as described in "Abs 4".
- 3) Category 5: Waste arising from operations. 93% of our packaging is now recyclable and we have removed unnecessary packaging where possible.

This target also aligns to wider industry and business ambitions, including British Retail Consortium (BRC) Climate Roadmap, which set a complete Net Zero goal for 2040; 10 years ahead of UK (and many other) government.

From our understanding of climate science we believe that our 'Net Zero' targets align with the science for a 1.5°C trajectory. We do however intend to formalise this target by calculating & setting a Science Based Target in the next 1-2 years, helping improve our understanding of the decarbonisation pathway and pace required.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

- Target(s) to increase low-carbon energy consumption or production
- Net-zero target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2017

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

Base year

2017

Figure or percentage in base year

73.34

Target year

2020

Figure or percentage in target year

100

Figure or percentage in reporting year

100

% of target achieved [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, this target supports our Scope 1&2 absolute reduction target (Abs 2) "Net Zero in our direct operations by 2025".

Increasing our use of renewable electricity to 100% has reduced our Scope 2 emissions by 4,587.82 tonnes CO₂e this year.

We continue to maintain this performance in order to support our absolute reduction target and reduce our reliance on offsets to meet 'Net Zero' status.

Is this target part of an overarching initiative?

Other, please specify

Part of our overarching Net Zero' initiative and target as described in "NZ1"

Please explain (including target coverage)

This target is to move 100% of the electricity used in our direct operations to renewable electricity by 2020.

This target is part of our 'Lead through sustainability' business objective, supporting our Net Zero initiative by converting as much of our direct energy requirements as possible to renewable.

Electricity consumption was chosen as a specific sub-target because it has the highest material impact, as it accounts for 96% of our total Scope 1 and 2 emissions in our baseline year. We set a renewable electricity baseline year of 2017, when the target was set, to accurately track renewable electricity use through our procurement mechanisms.

Target reference number

Low 2

Year target was set

2017

Target coverage

Other, please specify

Electricity used by our Distribution Partners

Target type: absolute or intensity

Absolute

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

Base year

2017

Figure or percentage in base year

0

Target year

2025

Figure or percentage in target year

100

Figure or percentage in reporting year

67.5

% of target achieved [auto-calculated]

67.5

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes, this target supports our "NZ1" target of being "Net Zero in our direct operations and our third-party distribution centres by 2025".

By working with our third-party partners to already convert 67.5% of their electricity to renewable we have reduced our related Scope 3 (Category 4: Upstream Transportation and Distribution) carbon emissions by 562 tonnes CO₂e.

Is this target part of an overarching initiative?

Other, please specify

Part of our overarching Net Zero' initiative and target as described in "NZ2"

Please explain (including target coverage)

This target is to move 100% of the electricity used by our third-party distribution partners to renewable electricity by 2025.

This target is part of our 'Lead through sustainability' business objective, supporting our Net Zero initiative by converting as much of our related energy requirements as possible to renewable.

Electricity consumption within our distribution centres was chosen as a specific sub-target because it has the highest material impact, as it accounts for 93% of our total Scope 1 and 2 emissions in our baseline year. We set a renewable electricity baseline year of 2017, when the target was set, to accurately track renewable electricity use through our procurement mechanisms.

Target reference number

Low 3

Year target was set

2017

Target coverage

Other, please specify

Electricity used by our Franchise Partners

Target type: absolute or intensity

Absolute

Target type: energy carrier

Electricity

Target type: activity

Production

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

Base year

2017

Figure or percentage in base year

0

Target year

2030

Figure or percentage in target year

100

Figure or percentage in reporting year

0

% of target achieved [auto-calculated]

0

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes, this target supports our "NZ3" target of being "Net Zero across our entire scope 3 emissions by 2040".

Emissions from our 500+ global franchise partners fall within our Scope 3 (Category 14: Franchises) emissions. As we begin to engage our franchise partners to identify their use of renewable electricity so far, and then support in the progression to 100%, we will help achieve as much absolute reduction in our associated carbon emissions as possible.

Our calculation for Scope 3 (Category 14: Franchises) to date is 5,481 tonnes CO₂e with emissions from electricity accounting for >97% of those, resulting in high potential absolute reduction.

Is this target part of an overarching initiative?

Other, please specify

Part of our overarching Net Zero' initiative and target as described in "NZ4"

Please explain (including target coverage)

This target is to move 100% of the electricity used by our franchise partners to renewable electricity by 2030.

This target is part of our 'Lead through sustainability' business objective, supporting our Net Zero initiative by converting as much of our related energy requirements as possible to renewable.

Electricity consumption within our franchise partners was chosen as a specific sub-target because we assume it has the highest material impact, similar to our owned retail estate, where it likely accounts for >95% of total energy use. We set a renewable electricity baseline year of 2017, when the target was set, to accurately track renewable electricity use through our procurement mechanisms.

Target reference number

Low 4

Year target was set

2017

Target coverage

Product level

Target type: absolute or intensity

Absolute

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

Base year

2017

Figure or percentage in base year

0

Target year

2030

Figure or percentage in target year

100

Figure or percentage in reporting year

25

% of target achieved [auto-calculated]

25

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes, this target supports our "NZ3" target of being "Net Zero across our entire scope 3 emissions by 2040".

Emissions from the operations of >110 production factory partners are accounted for within our Scope 3 (Category 1: Purchased Goods and services).

This engagement and target setting with our factories will help us reduce associate emissions in our Scope 3. To what extent is still to be determined however we know that the source countries in which our production factories operate have high-carbon electricity grids so the savings from using renewable electricity (most commonly onsite) are large.

Is this target part of an overarching initiative?

Other, please specify

Part of our overarching Net Zero' initiative and target as described in "NZ4"

Please explain (including target coverage)

This target is to ensure that 100% of our products are made in factories that use renewable electricity by 2030.

This target is part of our 'Lead through sustainability' business objective, supporting our Net Zero initiative by converting as much of our related energy requirements as possible to renewable.

We are yet to calculate this category in full, however from working with our production factories we know that at least 30% of their energy requirements is from electricity and that to date 12% of these factories are using renewable electricity.

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs2

Abs3

Target year for achieving net zero

2030

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

Our Net Zero goals are split into 3 milestone targets which relate to our 4 absolute reduction targets.

The first milestone target is to reach Net Zero emissions across our company-wide Scope 1 & 2 emissions and our scope 3 emissions from part of category 4 relating to our third-party distribution partner sites.

This related to "Abs 2" and "Abs3" and we believe this can be achieved through a very high % of absolute reduction.

Our Net Zero targets accounts for the next step beyond our absolute reduction targets by accounting for any remaining and unavoidable emissions that cannot be removed from our 'Reduction' and 'Conversion' programmes. To achieve this we will be implementing a meaningful offset strategy which will provide carbon removals that balance any remaining gross emissions to a position of 'Net Zero'.

Target reference number

NZ2

Target coverage

Absolute/intensity emission target(s) linked to this net-zero target

Abs4

Target year for achieving net zero

Is this a science-based target?

Please explain (including target coverage)

Our Net Zero goals are split into 3 milestone targets which relate to our 4 absolute reduction targets.

The second milestone target is to reach Net Zero emissions across our scope 3 emissions from the rest of category 4, relating to our upstream logistics (transportation) partner operations.

This related to "Abs 4" and we believe this can be achieved through at least 70% absolute reduction.

Our Net Zero targets accounts for the next step beyond our absolute reduction targets by accounting for any remaining and unavoidable emissions that cannot be removed from our 'Reduction' and 'Conversion' programmes. To achieve this we will be implementing a meaningful offset strategy which will provide carbon removals that balance any remaining gross emissions to a position of 'Net Zero'.

Target reference number

NZ3

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs5

Target year for achieving net zero

2040

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

Our Net Zero goals are split into 3 milestone targets which relate to our 4 absolute reduction targets.

The third milestone target is to reach Net Zero emissions across our all remaining scope 3 emissions from all relevant.

This related to "Abs 5" and we believe this can be achieved through at least 67% absolute reduction.

Our Net Zero targets accounts for the next step beyond our absolute reduction targets by accounting for any remaining and unavoidable emissions that cannot be removed from our 'Reduction' and 'Conversion' programmes. To achieve this we will be implementing a meaningful offset strategy which will provide carbon removals that balance any remaining gross emissions to a position of 'Net Zero'.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	2	6,164
Implementation commenced*	2	1,433
Implemented*	5	847
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

54

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

9,800

Investment required (unit currency – as specified in C0.4)

19,000

Payback period

1-3 years

Estimated lifetime of the initiative

3-5 years

Comment

We continued our rolling lighting replacement programme this year, despite the impacts of Covid-19 resulting in reduction in planned scale of programme.

We retrofitted 2 further stores with LED helping reduce annual electricity consumption by ~185MWh and our Scope 2 (location based) emissions by 54 tonnes CO2e pa.

This lighting rolling replacement programme has proven successful so this year a

proposal to retrofit and roll out LED lighting to 100% of our owned retail portfolio, across the next 3 years, was approved this year. This will result in significant further electricity (estimated. 3,000 MWh) and carbon [Scope 2 location based] (estimated. 843 tonnes) savings over the next 3 years.

Initiative category & Initiative type

Low-carbon energy consumption
Biogas

Estimated annual CO₂e savings (metric tonnes CO₂e)

13

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

1,080

Payback period

No payback

Estimated lifetime of the initiative

1-2 years

Comment

This year we converted our UK Head Office gas supply to 100% renewable sources. However, in order to understand fully and accurately, the CO₂e emissions of using renewable gas and report this benefit in our emissions inventory we're waiting on updated guidance from WRI on accounting for Renewable Gas Guarantees of Origins (RGGOs) within Scope 1 emissions.

We estimate this to reduce Scope 1 emissions by around 13 tonnes CO₂e pa. There is no financial savings, but we do incur a small premium on our gas tariffs of approx. £1080 pa, meaning there is no direct financial payback. We renew our contract every 12-24 months but will continue to purchase green gas for our UK Head Office whilst extending our investment in green gas tariffs at other sites too.

Initiative category & Initiative type

Waste reduction and material circularity
Product or service design

Estimated annual CO₂e savings (metric tonnes CO₂e)

274

Scope(s)

Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

310,000

Payback period

No payback

Estimated lifetime of the initiative

3-5 years

Comment

This year we undertook a review of our ecommerce parcel bag and identified a switch to paper in order to reduce our environmental impact through both increasing the practical recyclability of the bag and reducing the carbon emissions associated with the bag. We are now investing >£300,000 pa in additional costs to procure this paper bag with no direct financial payback. The estimated carbon savings based on an industry study are 274 tonnes pa. This change will help reduce our Scope 3 emissions from category 1 (purchased goods and services).

Initiative category & Initiative type

Waste reduction and material circularity
Product or service design

Estimated annual CO2e savings (metric tonnes CO2e)

356

Scope(s)

Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

740,000

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

3-5 years

Comment

This year we worked with our partners to innovate our existing retail carrier bag to improve the environmental impact both through reduced resource use and lower carbon emissions. The lower carbon emissions come from a combination of reducing the weight of the bag by >40% and by moving production from China to UK therefore reducing transport emissions.

We are able to save approx. £740,000 pa on the cost of this bag, with no investment (other than time) required, resulting in no direct financial payback. The estimated carbon savings based on an industry study are 356 tonnes pa.

This change will help reduce our Scope 3 emissions from category 1 (purchased goods and services).

Initiative category & Initiative type

Energy efficiency in buildings
Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)

150

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

71,500

Investment required (unit currency – as specified in C0.4)

35,500

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

As part of our retail energy efficiency programme we have installed Building Management Systems (BMS) across 55% of our global stores.

Previously only some of these were part of an optimisation contract which has previously proven itself to reduce consumption at these sites with BMS by a further 10%.

This year we added the remaining 53 sites to this contract for a cost of £11,000 (+

£24,500 pa) which will in turn reduce consumption at these sites by a further 10% equivalent to approximately 522MWh / 150 tonnes CO₂e / £71.5k pa

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	<p>There are dedicated operational (OPEX) and capital (CAPEX) budgets for the monitoring and management of energy in the business. These cover projects such as LED lighting, BEMS, smart metering and EV charge point installations.</p> <p>This year we approved a large CAPEX budget for 2022 - 2024 for the optimisation of 100% of our retail stores and our main warehouses with LED lighting and BMS (where appropriate).</p>
Employee engagement	<p>This year we launched our Sustainability Warriors platform which is a group of >50 Superdry colleagues, from across all areas and departments of Superdry global offices and stores, who are passionate about sustainability. Together our warriors are the first port of call to help engage all Superdry staff in sustainability initiatives, as well as provide feedback from colleagues and customers on where we can improve and reduce our environmental impact and carbon emissions further. Our warriors meet at least monthly to discuss ideas and have already helped identify many changes which will result in reduced carbon emissions both directly and indirectly. These include identifying stores without LEDs or access to recycling, removing single use Covid PPE and replacing with refillable/reusable alternatives, and challenging our procurement habits to move to more sustainable alternative e.g. 100% recycled printer paper.</p> <p>In addition to this, we have an internal engagement platform called Workplace where sustainability news (updates, policies etc.) are shared and participation in sustainable actions and energy / carbon reduction is encouraged. This has revealed a real passion for sustainability amongst our staff.</p>
Compliance with regulatory requirements/standards	<p>We always ensure we are 100% compliant with energy and environmental regulations. In this reporting year we have complied with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (the 2018 Regulations) which implement the government's policy on Streamlined Energy and Carbon Reporting (SECR). This helps us report energy and carbon emissions coherently and track any changes, which help us identify areas to focus our reduction methods on.</p>

<p>Other</p> <p>Partnering with Industry Initiatives to share best practice</p>	<p>This year we became signatories of the British Retail Consortium (BRC) Climate Roadmap. By being a signatory we sit on all 5 pathway working groups of which all are focussed on different emission areas and aimed at providing decarbonisation pathways to share with all signatories.</p> <p>Collaboration is crucial when it comes to carbon reduction and sharing best practice whilst contributing to industry led emission reduction plans is one way Superdry do this.</p> <p>In addition we committed to becoming signatories of the UN Fashion Industry Charter on Climate Change, where we will adopt all principles including the requirement to align our targets and decarbonisation pathway with the science and other emission reduction initiatives.</p>
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C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

May 1, 2016

Base year end

April 30, 2017

Base year emissions (metric tons CO2e)

369.463

Comment

This was from the following sources:

Burning Gas for Heating (applicable to a small proportion of our direct operations)
 Company owned vehicles (a small selection of company owned cars for staff - this was the final year of having company owned vehicles as we moved to a leased / hire model for company cars)
 Refrigerant leakage from air conditioning (based on maintenance reports where refills were required in that year)

Scope 2 (location-based)

Base year start

May 1, 2016

Base year end

April 30, 2017

Base year emissions (metric tons CO₂e)

9,598.441

Comment

Entirely from purchased electricity

Scope 2 (market-based)

Base year start

May 1, 2016

Base year end

April 30, 2017

Base year emissions (metric tons CO₂e)

3,111.83

Comment

Entirely from purchased electricity using market based factors and accounting for our use of 73% renewable electricity in this year.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

182.071

Start date

May 1, 2020

End date

April 30, 2021

Comment

This was from the following sources:

Burning Gas for Heating (applicable to a small proportion of our direct operations)
Use of Diesel in generators (applicable only to one site within our direct operations, where it is used as 'grid-backup' generator)
Refrigerant leakage from air conditioning (based on maintenance reports where refills were required in that year)

(Note: We no longer own any vehicles in the company. 2016/17 was the final year of having company owned vehicles as we moved to a leased / hire model for company cars thereafter.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

162.646

Start date

May 1, 2019

End date

April 30, 2020

Comment

This was from the following sources:

Burning Gas for Heating (applicable to a small proportion of our direct operations)
Use of Diesel in generators (applicable to a small proportion of our direct operations that either operated temporarily off-grid, during wider construction works or where it is used as 'grid-backup' generator)
Refrigerant leakage from air conditioning (based on maintenance reports where refills were required in that year)

(Note: We no longer own any vehicles in the company. 2016/17 was the final year of having company owned vehicles as we moved to a leased / hire model for company cars thereafter.

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

301.049

Start date

May 1, 2018

End date

April 30, 2019

Comment

This was from the following sources:

Burning Gas for Heating (applicable to a small proportion of our direct operations)
 Refrigerant leakage from air conditioning (based on maintenance reports where refills were required in that year)

(Note: We no longer own any vehicles in the company. 2016/17 was the final year of having company owned vehicles as we moved to a leased / hire model for company cars thereafter.

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)

186.886

Start date

May 1, 2017

End date

April 30, 2018

Comment

This was from the following sources:

Burning Gas for Heating (applicable to a small proportion of our direct operations)
 Refrigerant leakage from air conditioning (based on maintenance reports where refills were required in that year)

(Note: We no longer own any vehicles in the company. 2016/17 was the final year of having company owned vehicles as we moved to a leased / hire model for company cars thereafter.

C6.2

(C6.2) Describe your organization’s approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

We calculate both Scope 2 'Location Based' and 'Market Based' emissions as part of our annual GHG inventory and publish both of these in our Annual Report. We have done this since 2016.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

4,737.518

Scope 2, market-based (if applicable)

149.697

Start date

May 1, 2020

End date

April 30, 2021

Comment

All electricity used across the company globally is from 100% certified renewable sources. Therefore carbon emissions from electricity are 0 for Scope 2 (Market Based) method. The remaining Scope 2 (Market-Based) emissions (149.697 Tonnes CO₂e) are from "Purchased Heating and Cooling".

Past year 1

Scope 2, location-based

7,263.68

Scope 2, market-based (if applicable)

199.679

Start date

May 1, 2019

End date

April 30, 2020

Comment

All electricity used across the company globally is from certified renewable sources. Therefore carbon emissions from electricity are 0 for Scope 2 (Market Based) method. The remaining Scope 2 (Market-Based) emissions (199.679 Tonnes CO₂e) are from "Purchased Heating and Cooling".

Past year 2

Scope 2, location-based

8,457.319

Scope 2, market-based (if applicable)

149.391

Start date

May 1, 2018

End date

April 30, 2019

Comment

All electricity used across the company globally is from certified renewable sources. Therefore carbon emissions from electricity are 0 for Scope 2 (Market Based) method. The remaining Scope 2 (Market-Based) emissions (149.391 Tonnes CO₂e) are from "Purchased Heating and Cooling".

Past year 3

Scope 2, location-based

9,197.465

Scope 2, market-based (if applicable)

157.897

Start date

May 1, 2017

End date

April 30, 2018

Comment

All electricity used across the company globally is from certified renewable sources. Therefore carbon emissions from electricity are 0 for Scope 2 (Market Based) method. The remaining Scope 2 (Market-Based) emissions (157.897 Tonnes CO₂e) are from "Purchased Heating and Cooling".

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Please explain

This year we have undertaken an initial review of all Scope 3 categories that we do not currently calculate and to confirm our assumptions on if they are relevant and the materiality of this category.

We have identified this category as relevant.

In order to provide our full carbon inventory understanding we will be undertaking a complete Scope 3 calculation exercise for all relevant categories during the next 12 months.

Capital goods

Evaluation status

Not relevant, explanation provided

Please explain

Not materially relevant as Superdry does not invest in significant capital goods.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

210.126

Emissions calculation methodology

We have currently calculated this category based on emissions from Transmission and Distribution (T&D) losses our globally purchased electricity.

Where emission factors are available that split out the Scope 2 and Scope 3 emissions for purchased electricity we calculate record these separately to form this category.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

The emissions we have calculated for this category relate to accurate and actual electricity consumption data for 100% of our own sites, where scope 3 T&D emission factors are available.

DEFRA Carbon Factors 2020 used for UK sites. US EPA eGrid 2018 (Distribution Factor) used for USA sites.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

27,004.461

Emissions calculation methodology

Distance based methodology following Corporate Value Chain (Scope 3) Accounting and Reporting Standard [Supplement to the GHG Protocol Corporate Accounting and Reporting Standard]

Upstream distribution (799 Tonnes CO2e):

Accurate energy consumption data from upstream distribution suppliers where available, which is then used as average to calculate sites where real data not provided.

Appropriate emission factors used based on country level data

Upstream transportation (26,206 Tonnes CO2e):

DEFRA Carbon Factors 2020 are applied to number of tonne-kilometres transported by a mode of transport.

Product movements are grouped by routes and accurate distances for routes are calculated using APIs and distance software.

Modes of transport are confirmed from supplier - sub categories e.g. Road vehicle type are assumed.

Weights are calculated based on supplier data.

This covers all upstream transportation from when we take ownership of our products (factory consolidation centres) to when the consumer receives the product (retail store locations, ecommerce home address, wholesale partner locations).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

1

Please explain

77% of emissions relating to upstream distribution emissions are from real data from suppliers. This equates to 1% of the total of this category.

Emissions relating to upstream transport are calculated utilising internal reporting data, with some aspects of the calculated provided by or confirmed by suppliers. Therefore the total emissions are a combination of real data components from suppliers and estimated data. Components needed to calculate are as follows:

- Distances = calculated using actual start and end destinations as confirmed by suppliers
- Weight = calculated using a actual component weights from suppliers
- Mode = confirmed by supplier at high level (road, sea, air, rail) but estimated for sub level (e.g. road vehicle type)

Superdry have begun engaging with carriers directly to improve understanding of relevant data and receive supplier data where possible.

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Please explain

This year we have undertaken an initial review of all Scope 3 categories that we do not currently calculate and to confirm our assumptions on if they are relevant and the materiality of this category.

We have identified this category as relevant.

In order to provide our full carbon inventory understanding we will be undertaking a complete Scope 3 calculation exercise for all relevant categories during the next 12 months.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

91.932

Emissions calculation methodology

This related to Staff Business Travel by Rail, Air or Road (Grey Fleet and Hire Car)

All data is from supplier reports which either detail the actual related carbon emissions (e.g. business air travel) or detail the distance and vehicle type used and then carbon emissions are calculated using DEFRA Carbon Factors 2020 (Rail and Road).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

All data is based on supplier reports which either detail the related carbon emissions (e.g. business air travel) or detail the distance and vehicle type used and then carbon emissions are calculated using DEFRA Carbon Factors 2020 (Rail and Road).

Employee commuting

Evaluation status

Relevant, not yet calculated

Please explain

This year we have undertaken an initial review of all Scope 3 categories that we do not currently calculate and to confirm our assumptions on if they are relevant and the materiality of this category.

We have identified this category as relevant.

In order to provide our full carbon inventory understanding we will be undertaking a complete Scope 3 calculation exercise for all relevant categories during the next 12 months.

Upstream leased assets

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

188.615

Emissions calculation methodology

This relates to a small number of leased vehicles within the business.

All other in scope and material upstream leased assets have been included in scope 1 and 2 reporting as per GHG Protocol methodology.

DEFRA Carbon Factors 2020 are used with the distance travelled by car type.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

We use odometer readings from the leased cars to calculate distance. Using the make and model of the car from the supplier we apply the correct emission factor from DEFRA Carbon Factors 2020.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Please explain

This year we have undertaken an initial review of all Scope 3 categories that we do not currently calculate and to confirm our assumptions on if they are relevant and the materiality of this category.

We have identified this category as relevant.

In order to provide our full carbon inventory understanding we will be undertaking a complete Scope 3 calculation exercise for all relevant categories during the next 12 months.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

This category is not relevant as Superdry sells finished products (garments and accessories) which are not further processed after Superdry sell them.

Use of sold products

Evaluation status

Relevant, not yet calculated

Please explain

This year we have undertaken an initial review of all Scope 3 categories that we do not currently calculate and to confirm our assumptions on if they are relevant and the materiality of this category.

We have identified this category as relevant.

In order to provide our full carbon inventory understanding we will be undertaking a complete Scope 3 calculation exercise for all relevant categories during the next 12 months.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Please explain

This year we have undertaken an initial review of all Scope 3 categories that we do not currently calculate and to confirm our assumptions on if they are relevant and the materiality of this category.

We have identified this category as relevant.

In order to provide our full carbon inventory understanding we will be undertaking a complete Scope 3 calculation exercise for all relevant categories during the next 12 months.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Superdry does not lease or sub-let any assets (e.g. buildings or vehicles) or to others entities/companies and therefore this category is not relevant.

Franchises

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

5,480.775

Emissions calculation methodology

We estimate the energy consumption of our franchise estate using energy consumption within our owned retail estate as a proxy. We then calculate carbon emissions from using relevant national emission factors including DEFRA Carbon Factors 2020 and others published by Association of Issuing Bodies, Climate Transparency and USA EPA

eGrid.

We use a combination of:

- Supplier declared information including location of store, country of operation, size of store, opening date (and closing date where applicable)
- Energy efficiency factor (kWh/m²) from Superdry owned retail estate as a proxy for consumption in our franchise partners

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We have estimated these emissions based on accurate franchise asset list, including store size, and have then applied an assumed energy efficiency based on the energy efficiency of Superdry owned retail stores.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

This category is not relevant to our business as we operate solely as a Commercial Goods company and therefore we have no investments.

Other (upstream)

Evaluation status

Please explain

Other (downstream)

Evaluation status

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

8.84

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

4,919.59

Metric denominator

unit total revenue

Metric denominator: Unit total

556,600,000

Scope 2 figure used

Location-based

% change from previous year

16.2

Direction of change

Decreased

Reason for change

We saw a 33.8% decrease in our absolute Scope 1 & 2 (location-based) emissions total.

This is owing to our continuous drive to reduce electricity consumption, which will have reduced our Scope 2 emissions, through emission reduction initiatives such as:

- Replacing lighting in 2 stores (as reporting in C4.3b)
- Optimising our BMS systems (as reported in C4.3b)
- Behaviour change/employee engagement through our Sustainability Warriors

In addition this will in part be due to the impacts of Covid-19 throughout FY21 on operational closures.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO ₂ e)
Belgium	43.121
Italy	0.413
Netherlands	18.524
United Kingdom of Great Britain and Northern Ireland	28.162
United States of America	72.974
Germany	18.756
Austria	0.004
India	0.117

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO ₂ e)
Global Retail (Our 245 directly owned and operated retail stores)	161.366
Global Offices and Showrooms (Our 31 directly owned and operated global office units and wholesale showrooms)	20.705

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO ₂ e)
Burning of natural gas for the provision of heating across some of our global stores and offices	143.464
Refrigerant leakage from HVAC systems within our global stores and offices	38.49
Burning of diesel in generator, as back up to grid to support some of our global offices	0.117

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Austria	23.814	0	179.24	179.24
Belgium	142.149	17.191	928.29	816.03
Denmark	42.497	8.405	275.17	220.75
France	38.305	0	983.43	983.43
Germany	1,012.382	28.82	2,673.87	2,597.75
China, Hong Kong Special Administrative Region	33.326	0	43.83	43.83
India	18.763	0	26.5	26.5
Ireland	132.401	0	380.42	380.42
Italy	175.678	17.322	518.93	467.76
Netherlands	270.038	13.804	597.34	566.8
Spain	33.154	0	150.52	150.52
Sweden	1.902	0	159.99	159.99
Switzerland	0.085	0	7.2	7.2
Turkey	4.738	0	9.85	9.85
United Kingdom of Great Britain and Northern Ireland	2,053.463	64.156	8,807.85	8,532.67
United States of America	754.683	0	2,801.03	2,801.03
Norway	0.139	0	12.46	12.46

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Global Retail (Our 245 directly owned and operated retail stores)	4,406.612	149.697
Global Offices and Showrooms (Our 31 directly owned and operated global office units and wholesale showrooms)	330.906	0

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Purchased Electricity within all global stores and offices	4,587.821	0
Purchased Heating and Cooling within some of our global stores	149.697	149.697

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	We do not generate any renewable energy ourselves. We procure 100% renewable electricity which is accounted for within our market based emissions, however this will have no impact on our location based emissions reported here.

				<p>Last years emissions = 7426.326. Change in emissions from change in renewable energy consumption = 0 $(0/7426.326)*100 = 0\%$</p>
Other emissions reduction activities	204	Decreased	2.8	<p>Given the impact of Covid-19 on our change in output (as detailed below) it is hard to detail exactly the actual savings achieved from our other reduction activities.</p> <p>However based on the Scope 1 and 2 emission reduction initiatives implemented in C4.3b we believe we have reduced our emissions by 204 tonnes CO2e.</p> <p>Last years emissions = 7426.326. Change in emissions from other emissions reduction activities = -204 $(-204/7426.326)*100 = -2.8\%$</p>
Divestment				
Acquisitions				
Mergers				
Change in output	1,343	Decreased	18.1	<p>Covid-19 has caused our operational hours to decrease this year (due to closure of stores and offices creating a change in output) which will have reduced our energy consumption and therefore reduced our Scope 1 and 2 emissions will have been reduced.</p> <p>It is not possible to accurately account for how much of our reduction has come from the impacts of Covid, however given the understanding that our stores were closed to the public for around 40% of the year and that we saw around a 50% reduction in energy whilst stores were closed we estimate this accounts for our remaining reduction in our Scope 1 & 2 emissions of 1343 Tonnes CO2e, equivalent to 18%.</p> <p>Last years emissions = 7426.326. Change in emissions from change in output = -1343 $(-1343/7426)*100 = -18.1\%$</p>

Change in methodology	959	Decreased	12.9	<p>We have seen a 12.92% reduction in our emissions due to updated emissions factors for all countries in which we operate. Scope 2 (location based) factors have all decreased due to increased use of renewables in the generation of grid supplied electricity in countries in which we operate.</p> <p>Last years emissions = 7426.326. Change in emissions from change in methodology = -959.215. $(-915.215/7426.326)*100 = -12.9\%$</p>
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes

Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	65.11	715.62	780.73
Consumption of purchased or acquired electricity		17,956.24	0	17,956.24
Consumption of purchased or acquired heat		0	246.14	246.14
Consumption of purchased or acquired cooling		0	353.55	353.55
Total energy consumption		18,021.35	1,315.31	19,336.66

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes

Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

0.49

MWh fuel consumed for self-generation of electricity

0.49

MWh fuel consumed for self-generation of heat

0

Emission factor

0.24057

Unit

kg CO2e per KWh

Emissions factor source

Defra Carbon Emission Factors 2020

Comment

Diesel used in a back-up generator in one of our office units.

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

780.25

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

780.25

Emission factor

0.18387

Unit

kg CO₂e per kWh

Emissions factor source

Defra Carbon Emission Factors 2020

Comment

Natural gas used in boilers across our global offices for the purpose of heating

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Austria

MWh consumed accounted for at a zero emission factor

86.54

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Austria

MWh consumed accounted for at a zero emission factor

92.7

Comment

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Belgium

MWh consumed accounted for at a zero emission factor

783.73

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Belgium

MWh consumed accounted for at a zero emission factor

32.29

Comment

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Denmark

MWh consumed accounted for at a zero emission factor

220.75

Comment

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

France

MWh consumed accounted for at a zero emission factor

941.96

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

France

MWh consumed accounted for at a zero emission factor

41.47

Comment

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Germany

MWh consumed accounted for at a zero emission factor

2,549.47

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Germany

MWh consumed accounted for at a zero emission factor

48.29

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

China, Hong Kong Special Administrative Region

MWh consumed accounted for at a zero emission factor

43.83

Comment

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Ireland

MWh consumed accounted for at a zero emission factor

371.53

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Ireland

MWh consumed accounted for at a zero emission factor

8.89

Comment

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Italy

MWh consumed accounted for at a zero emission factor

467.76

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

India

MWh consumed accounted for at a zero emission factor

26.5

Comment

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Netherlands

MWh consumed accounted for at a zero emission factor

473.59

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Netherlands

MWh consumed accounted for at a zero emission factor

93.22

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Norway

MWh consumed accounted for at a zero emission factor

12.46

Comment

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Solar

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Spain

MWh consumed accounted for at a zero emission factor

136.26

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Spain

MWh consumed accounted for at a zero emission factor

14.27

Comment

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Sweden

MWh consumed accounted for at a zero emission factor

159.99

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Switzerland

MWh consumed accounted for at a zero emission factor

7.2

Comment

Sourcing method

Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Turkey

MWh consumed accounted for at a zero emission factor

9.85

Comment

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United Kingdom of Great Britain and Northern Ireland

MWh consumed accounted for at a zero emission factor

7,771.84

Comment

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United Kingdom of Great Britain and Northern Ireland

MWh consumed accounted for at a zero emission factor

760.84

Comment

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United States of America

MWh consumed accounted for at a zero emission factor

500.62

Comment

Sourcing method

Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United States of America

MWh consumed accounted for at a zero emission factor

2,300.41

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

150.5

Metric numerator

Global Annual Energy Use in MWh

Metric denominator (intensity metric only)

Floor area in m2

% change from previous year

17.77

Direction of change

Decreased

Please explain

Part of this reduction relates to our continued efforts to reduce our energy consumption across our retail stores and offices, notably through further LED replacements and the launch of our 'Sustainability Warriors' with environmental and energy champions from across all our retail departments.

In addition, however we are aware that the impacts of Covid-19 such as reduced operational hours due to enforced closure of stores and offices will have also reduced our energy consumption.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Biennial process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Superdry verification opinion FY20 and FY21 Final.pdf

Page/ section reference

Attached is 'SUPERDRY PLC INDEPENDENT GREENHOUSE GAS VERIFICATION OPINION' as produced by our third-party auditor; Avieco Ltd.
 Scope of verification is provided on page 1.
 Methodology and process is provided on page 2.
 Final verified emissions are provided on page 3.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Biennial process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Superdry verification opinion FY20 and FY21 Final.pdf

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Scope of verification is provided on page 1.

Methodology and process is provided on page 2.

Final verified emissions are provided on page 3.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Biennial process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Superdry verification opinion FY20 and FY21 Final.pdf

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Final verified emissions are provided on page 3.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Verification or assurance cycle in place

Biennial process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Superdry verification opinion FY20 and FY21 Final.pdf

Page/section reference

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Scope of verification is provided on page 1.
Methodology and process is provided on page 2.
Final verified emissions are provided on page 3.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place

Biennial process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Superdry verification opinion FY20 and FY21 Final.pdf

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Scope of verification is provided on page 1.

Methodology and process is provided on page 2.

Final verified emissions are provided on page 3.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Biennial process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Superdry verification opinion FY20 and FY21 Final.pdf

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Scope of verification is provided on page 1.

Methodology and process is provided on page 2.

Final verified emissions are provided on page 3.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Upstream leased assets

Verification or assurance cycle in place

Biennial process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Superdry verification opinion FY20 and FY21 Final.pdf

Page/section reference

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Scope of verification is provided on page 1.

Methodology and process is provided on page 2.

Final verified emissions are provided on page 3.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Franchises

Verification or assurance cycle in place

Biennial process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Superdry verification opinion FY20 and FY21 Final.pdf

Page/section reference

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Scope of verification is provided on page 1.
Methodology and process is provided on page 2.
Final verified emissions are provided on page 3.

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Code of conduct featuring climate change KPIs

% of suppliers by number

100

% total procurement spend (direct and indirect)

52

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

We annually update and publish a Superdry Supplier Manual which is sent to all (100%) of our garment suppliers (our manufacturing partners) globally.

We engage with these suppliers as a priority - by featuring climate change KPIs within our contractual terms – our full supply chain (including raw materials) is estimated to account up to 70% of our GHG emissions impact (McKinsey’s Fashion on Climate report (2020)). Although emissions from Cut, Make, Sew operations only account for 4% of the fashion industry’s total footprint, this stakeholder group are of critical importance in influencing the full upstream value chain, including fibre production.

We plan to obtain a more accurate view of Superdry’s Scope 3 emissions from our products for resale suppliers (category 1 - Purchased Goods and Services) during our full Scope 3 assessment scheduled in FY22.

Currently this engagement relates to 0% of the Scope 3 reported emissions – however we estimate this will reflect closer to 70% of our total Scope 3 emissions once measured and reported.

Impact of engagement, including measures of success

Within this supplier manual is a section on Ethical Trading and Sustainability which details our sustainability strategy (including how Superdry are reducing our impact) as well as stating our requirements of them.

Their requirements around climate relate to three areas of Environmental Management:

1. Adherence to our company Environmental Policy and related Energy Management Protocol and Waste Management Protocol.
2. A target for all suppliers to follow our suit and transition to using 100% renewable electricity in their operations by 2030 in order to help them reduce their associated carbon emissions (climate impact).
3. Implementation and ongoing recertification of the ISO50001 Energy Management System standard, in order to help them reduce their energy use and therefore carbon (climate) impact.

100% of suppliers are trained on the contents of the Supplier Manual during their onboarding process.

Measures of success:

All suppliers must agree to and sign a copy of the Superdry Supplier Manual, adhering strictly to all content and conditions before they are on boarded as a new production supplier.

100% of suppliers have confirmed their agreement to the Superdry Supplier Manual We actively measure supplier performance in line with our environmental requirements. In FY21:

1. 100% of audits completed – for 100% of Superdry approved factories in FY21 covered core elements of our Environmental Policy and Energy/Waste Management protocols.
2. 12% of Superdry approved factories utilise renewable electricity in their operations.
3. 15% of Superdry approved factories are certified to ISO 50001 standard.

Comment

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

87

% total procurement spend (direct and indirect)

46

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

This year we created and issued a new annual 'Sustainability Questionnaire' which is sent to all (100%) of our sourcing suppliers (our manufacturing partners) globally which asks for information across all key environmental impact areas, governance and certification, which are material to our strategy.

This includes energy consumption and related carbon emissions. The purpose of this engagement was to baseline our environmental performance and how we are performing as a supplier community.

These suppliers contribute to the most significant Scope 3 impact category (Category 1 - Purchased Goods and Services) and therefore are critical to obtain primary data from where possible.

We have not yet used this data to calculate our Scope 3 emissions from our production suppliers (Category 1 - Purchased Goods and Services), however we are due to do this next year and will use this data to provide primary data for some of the related emissions in this Scope 3 category.

Currently this engagement relates to 0% of the Scope 3 reported emissions – however we estimate this will reflect closer to 70% of our total Scope 3 emissions once measured and reported, 4% for manufacturing sites alone based on fashion industry data.

Impact of engagement, including measures of success

We measure success firstly through the response rate. We received responses from 87% of our suppliers, who covered 89% of our production volume.

Another measure of success was our ability to use supplier responses to track against one of our sustainability KPIs - % of volume produced in factories with renewable or optimised energy.

1. The questionnaire asks for the suppliers use of renewable energy (both on site and procured)
2. The questionnaire asks them to confirm if they are certified to the ISO50001 Energy Management System standard, in order to help them optimised their energy use and therefore carbon (climate) impact.

Of our responses 96% suppliers provided their total energy use, and 36% calculated their total carbon emissions (scopes 1 & 2).

We will continue to baseline our suppliers on an annual basis and use this information to inform Superdry's Scope 3 (Category 1) measure, as well as planning further engagement, training and capacity building for our suppliers.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

Climate change performance is featured in supplier awards scheme

% of suppliers by number

25

% total procurement spend (direct and indirect)

39

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

In Oct 2020 we again ran a 'Superdry Supplier Conference' where all of our top 25% garment suppliers globally (producing 75% of our annual volume) are invited to attend a half day conference which covers multiple areas from across our sourcing and wider company strategy.

This includes a strong focus on sustainability which was addressed directly in keynote addresses from our CEO, Director of Sourcing and Sustainability and Head of Sustainability, including asking supplier to join our journeys along switching to renewable energy and reducing carbon emissions.

We held multiple breakout groups where sustainability themes were specifically discussed how our suppliers can improve the measurement of their environmental impact (from energy use, carbon emissions, water use and waste) and also opportunities to find savings in those areas.

These suppliers contribute to the most significant Scope 3 impact category (Category 1 - Purchased Goods and Services) and therefore are critical to obtain primary data from where possible, and to agree this need with business leaders/owners and General Managers as a core strategic focus of our ongoing business relationship.

We have not yet used this data to calculate our Scope 3 emissions from our production suppliers (category 1 - Purchased Goods and Services), however we are due to do this next year and will use this data to provide primary data for some of the related emissions in this Scope 3 category.

Currently this engagement relates to 0% of the Scope 3 reported emissions – however we estimate this will reflect closer to 70% once measured , 4% for manufacturing sites alone based on fashion industry data.

Impact of engagement, including measures of success

Our supplier conference was a success, attended live by all key garment suppliers who were invited (25%).

Keeping continual communication with our sourcing suppliers is paramount to ensuring they understand who Superdry is, what our mission is and what our strategy and goals are.

We measure success through building strong relationships with our suppliers and seeing them progress to support and align with our mission and goals. We measure the success of this progress through multiple routes, including our supplier self assessed questionnaires at onboarding and during periodic ethical and environmental audits, progress against our supplier KPIs to switch to 100% renewable electricity and 100% adoption of the ISO 50001 (Energy Management System) standard.

We recognise this success with our annual supplier awards which includes a category of 'Most sustainable Factory' with this year's winner achieving the accolade for their progress in certifying to ISO50001 and exploring the use of renewable electricity which would be the first factory to do so in their region.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to education customers about your climate change performance and strategy

% of customers by number

38

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

As a fashion brand we engage both consumer groups - retail (instore and ecommerce) and wholesale on our sustainability journey.

This year we engaged our wholesale customers more than ever to both share and learn

about our respective sustainability journeys and how we can collaborate to improve our sustainability and climate performance.

We hold quarterly Global Sales Meetings for each of the four seasons we sell to engage all (100%) of our wholesale customers (38 % of our customers on a sales basis).

Each meeting includes dedicated time to update our teams and customers on our sustainability roll out plan as well as product options that contain lower impact materials. Afterwards we issue our full Sustainably Sourced line list which includes all claims for all products sold to Wholesale Teams to share with their customers; enabling transparency in selection/buy.

This year we shared:

- 1) Our strategy update including detail behind one of our three core pillars of 'lead through sustainability'.
- 2) Our targets and how we want to work with our customers to reach of aim of becoming the most sustainable listed fashion brand on the planet by 2030.

Internally we ensure consistency across our messaging to wholesale customers with:

- 1) A fully integrated business strategy with sustainability at the heart of our three core objectives.
- 2) Internal communications to all staff (including our wholesale account managers) via company briefings, live Q&As, a knowledge library on our Intranet and attendance of our Head of Sustainability in departmental briefings.
- 3) Our group of >50 sustainability warriors, which contains 5 warriors from across all our core global wholesale territories as well as our Global Wholesale Operations Manager. These warriors are a successful route to beginning collaborations with our customers.

We have not yet calculated any Scope 3 emissions related to our wholesale customers ("Purchased Goods and Services", or "Downstream transportation and distribution"), however we are due to do this next year and will use this data to provide primary data for some of the related emissions in this Scope 3 category. Therefore, currently this engagement relates to 0% of the Scope 3 reported emissions.

Impact of engagement, including measures of success

We measure success of this engagement through increased levels of communication and collaboration with our wholesale customers.

We also track our sales of Sustainably Sourced products through both retail and wholesale customers, and internally target our Executive Committee, and Senior Management representing all departments including Wholesale – utilising financial incentives to drive increased sales from Sustainably Sourced products (See C1.3).

A success of our engagement this year (from our Global Sales Meetings and other ad-hoc conversations) is that we were able to engage in direct conversations with a handful of our key wholesale customers to help us gain feedback on our strategy.

We engaged with these specific wholesale customers individually to share greater

information and to obtain feedback on our strategic alignment.

- 1) As members of the HIGG Index we share sharing detail on our performance and journey using their Brand and Retail Module with five customers who are also members.
- 2) As part of our stakeholder engagement phase of strategy development, we presented our strategy core customers, including Zalando and Global Fashion Group (GFG), and asked for specific feedback to understand which issues were material to them and if their strategies aligned.

Feedback from individual customers has enabled us to better align our targets and identify opportunities for further collaboration through Science Based Targets, the UN Fashion Charter for Climate Action and the HIGG Index.

This has not only helped guide our strategy but has helped create further business centred around sustainable product.

A second measure of success is in agreeing upfront sales targets per Wholesale customers to enable achievement of our product goals – to convert to 100% Organic Cotton by 2030, 96% sustainable materials. Our Wholesale team are working on further engagement opportunities to best align our strategy to our Wholesale business.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

36

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

Recently, we've begun to really engage our retail customers on our sustainability aims and progress for the first time ever. We always want to ensure we are confident in our approach, sincere in what we say and certain we are doing the right thing. However, we also understand the importance of inspiring and engaging our retail customers so they can make informed decisions around their purchases.

This year we've updated our retail customer ".com" website in two significant ways:

- 1) We've included a 'Sustainability' page for the first time ever and have made it visible from our home page main menu. We launched this section of our website for Earth Day 2021 and included engaging content on our strategy, an initiative to incentivise sustainable product sales in support of Earth Day, and a link to the sustainable product within our online store.

2) We added a 'Sustainably Sourced' tag for the >1,700 options hosted on this page store to help customers easily identify sustainably sourced product and make informed decisions.

This engagement reaches all (100%) of our ecommerce customers who accounted for 36% customers (on a FY21 sales basis).

Our ".com" website also links through to our corporate website where further information can be found about our strategy and performance. Through our "Truth About" series hosted on the site, we provide detail on how our customers can better care for their garments to increase its lifespan and reduce its environmental impact.

We also undertook a specific piece of ecommerce customer engagement during the product development of our new sustainable ecommerce parcel bag. During a trial phase of our new paper ecommerce parcel bag, we engaged the 10,000 trial customers with a QR code to a survey which covered their importance of sustainability in Superdry, the functionality of the bag, their current environmental practices and the improvement they expected to see in their environmental practices through our new bag.

We have not yet calculated any Scope 3 emissions related to our retail customers ("Use of Products" & "End of life of Products") therefore relating 0% of the Scope 3 reported emissions. We're due to calculate these next year. Based on the McKinsey report (Fashion on Climate, 2020) we anticipate this value to account for close to 20% of our total product emissions.

Impact of engagement, including measures of success

We measure success of this engagement through both increased retail customer feedback on our sustainability strategy and ambitions, and an increase in our sustainable product mix.

This year we've also included more sustainability content within our social media campaigns across multiple channels including Instagram and Linked In. Engagement with these posts about sustainability has risen and we see all comments as positive for us to learn what is material to our customers, and what questions and uncertainties they have that we can answer.

Our sustainable product mix has increased to 33% this year.

We also track our sales of Sustainably Sourced products through both retail and wholesale customers, and internally target our Executive Committee, and Senior Management representing all departments including Wholesale – utilising financial incentives to drive increased sales from Sustainably Sourced products (See C1.3).

With our paper ecommerce bag engagement, we had a good response and could measure success of the trial and importance of our engagement through the answers. 74% of our customers said it was very important for Superdry to use sustainable

packaging and that by introducing our new paper bag this would improve recycling rates of our ecommerce parcel bags from 33% to 100%.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

We engage with other parts of our value chain beyond our sourcing suppliers and customer base.

Global Third-Party Distribution Partners

This year we have increased our engagement with our Global Distribution Partners who undertake all global distribution, storage and fulfilment of our products to our retail, ecommerce and wholesale customers.

This is through a collection of global warehouses and consolidation centres. Our internal logistics team hold the relationship with these partners and support through engaging them with our sustainability strategy, climate impacts and our goal to reach Net Zero emissions in our distribution partner sites by 2025, notably through a sub target to get all (100%) of our global distribution partners to switch to 100% renewable electricity by 2025.

Our engagement is through conversation and collaboration, led primarily by our Logistics Manager for Continuous Improvement, who sits on our Sustainability Warriors group. Projects are formulated and approved, then followed up on. We measure success through where we are seeing progress against our targets. This year we increased the proportion of renewable electricity used by our third-party distribution partners from 25% to 67%.

Investors

We are actively engaged with our investors to understand the importance of sustainability to them, and which aspects are material across their portfolios. This year, in December 2020 we spoke directly with our three largest investors to update them on our sustainability ambitions, approach and processes and gather their feedback.

This year we also updated our corporate site to more clearly align with our strategy and provide greater detail that our investors are keen to hear about. Included within this was a launch of our "Truth About" series which provide a Newsfeed for us to share transparent stories with our investors and wider customers about our sustainability journey. This year we have published articles on the Truth About our Organic Farmers, our new Ecommerce bag, our new retail bag, why sustainability matters to our CEO, textile recycling, and our innovative Closed loop polybags.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

No

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

We are members of the British Retail Consortium (BRC) and this year became signatories of their Climate Roadmap, to collaborate across the industry on achieving Net Zero targets. In addition, this year we became signatories of the United Nations Fashion Industry Charter for Climate Action (UNFICCA) where we have adopted a set of principles that align with the science to ensure our climate impact is reduced in a meaningful way. This will lead to multiple future engagement opportunities.

We are also affiliate members of the Organic Cotton Accelerator (OCA), an organisation which focuses on investing in growing the organic cotton sector. This organisation has had significant impact and influence on our long-term organic farmer training targets within our Sustainability strategy.

All engagement activity relevant to our membership of trade associations (BRC and UNFICCA) are either directly through our Global Sustainability team, Head of Sustainability or Global Director of Sourcing and Sustainability.

Alternatively, there may be interaction through part of a squad operated by the sustainability team or through our Sustainability Warriors – e.g., we have recently enrolled two sustainability warriors from our marketing team into a relevant working group within UNFICCA.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Underway – previous year attached

Attach the document

 FY20.pdf

Page/Section reference

Pages 52 - 66 for our Sustainability report within last years (FY20) report.

Our environmental performance is reported on pages 64-66, with our carbon emissions reported on page 66.

Content elements

Governance
Strategy
Emissions figures
Emission targets
Other metrics

Comment

FY20 report is attached – our FY21 report will be released in September 2021.

Please note therefore the targets and emissions and any other relevant KPIs will be different to those reported in this CDP submission.

You will be able to find our FY21 Annual report on our corporate website once it is released

Publication

In voluntary sustainability report

Status

Underway – this is our first year

Attach the document

Page/Section reference

This will be our first separate sustainability report, due to be published alongside our Annual Report in September 2021

Content elements

Strategy
Emissions figures
Emission targets
Other metrics

Comment

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	CEO	Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

Name..... JULIAN DUNKERTON.....

Position..... CHIEF EXECUTIVE OFFICER.....

Signature.....

Date..... 28/07/2021.....