



A Letter from our CEO



Last year Mulberry announced our Made to Last Manifesto, an ambitious commitment to transform the business to a regenerative and circular model by 2030, which will allow us to achieve our vision of becoming Net Zero by 2035. This ambition will be underpinned by our Science Based Target, which will be the foundation on which our future decarbonisation framework will be based.

Today, I am pleased to share our first annual Sustainability Report, an outline of the progress that Mulberry has made towards these goals over the last 12 months, and our continued vision for the future.

A key element of our journey to Net Zero and our ongoing commitment to traceability is Mulberry's plan to pioneer a hyper-local, hyper-transparent supply chain model. Last November saw us deliver our first 'farm to finished product' collection using the world's lowest carbon leather, partnering with Muirhead, a member of the Scottish Leather Group and a global leader in responsible manufacturing.

Building on Mulberry's commitment to responsible sourcing, I am proud that 88% of the leather in our AW22 range is now sourced from tanneries with environmental accreditation, and we are on track to reach our goal of achieving 100% accreditation by 2023.

In addition to addressing the footprint of our supply chain, we are also embracing the key role that technology can play in driving transparency. Last April saw us join the UNECE leather blockchain pilot that is working to improve traceability throughout the leather value chain.

Made to Last is the ethos that has been central to the brand since it was founded over 50 years ago and continues to be the driving philosophy that underpins everything we do today. We are passionate about extending the life of every Mulberry product through repair, renewal, and repurposing, and this commitment is at the heart of our progressive circular economy proposition. Our Lifetime Service Centre team are masters of restoration, and we are immensely proud that over the last 12 months they have restored more than 10,000 pieces.

Mulberry was one of the first luxury brands to launch its own circular economy programme, 'The Mulberry Exchange', first appearing in stores in 2020, and then extended to mulberry.com and Vestiaire Collective in April 2021. These initiatives have become cornerstones of our business, and are further proof of our customer's love of Mulberry icons past and present, and their trust in the longevity of the brand and our product.

At Mulberry our community is more than just a buzzword, we are grounded in place and people. Our carbon neutral Somerset factories are the heart of our brand and today it is here that we continue to manufacture over 50% of our bags. We are proud to have become an accredited Living Wage employer in 2021, and are working with our global suppliers to achieve the same culture across our broader supply chain. We also remain committed to supporting our network of local and international charities, from the Mulberry Somerset Community Fund to the British Red Cross, and the Felix Project through whom we have provided nearly 270,000 meals for Londoners most in need.

Looking ahead, the journey towards Net Zero continues with the launch of Mulberry's first carbon neutral collection in May 2022, focused on our iconic Lily family, created in Mulberry's carbon neutral Somerset factories, and crafted from carbon neutral leather.

I wish to extend my sincere thanks to every member of the Mulberry team for their passion and dedication. We are united in our vision of a regenerative and circular business model and creating a business that is truly Made to Last.

Thierry Andretta
CEO, Mulberry



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Introduction

Mulberry's Vision & Purpose

In 2021, we celebrated 50 years of Mulberry. As part of these celebrations, we launched our Made to Last Manifesto.

A commitment to responsible innovation, the Made to Last Manifesto is the ethos and philosophy that goes to the very heart of what we do, across every part of the business and has been at the heart of the brand since it was founded in 1971. From sourcing and manufacturing, to production, to our relationships with the communities around us, we continue to push the boundaries of sustainable practice.

We are committed to transforming our business to a regenerative and circular model, which will encompass our entire supply chain by 2030. As we work towards this, we recognise that we are playing a part in making things better.



The Mulberry Made to Last Manifesto

Launched April 2021

Mulberry is 50. In 1971 our founder Roger Saul began making leather accessories at his kitchen table using offcuts and scraps, bringing to life a brand that has established a unique place in the canon and culture of British style and innovation. We were born into the fevered atmosphere of the early seventies, a decade when artists, designers and musicians emerged as activists. In the year of our birth, soul legend Marvin Gaye sang the prophetic words “*What about this overcrowded land? How much more abuse from man can she stand?*” on the track ‘Mercy Mercy Me (The Ecology)’.

Half a century later can we say that we listened? Have we built a business that makes things better, a business that is truly made to last?

The reality is that despite a proliferation of industry initiatives – several of which we are a part of – the fashion and textiles sector is still estimated to produce 10% of annual Global Greenhouse Gas Emissions and change is not happening fast enough. We believe it’s time to reimagine our business as regenerative and circular at every stage of our supply chain, from field to wardrobe. To do this we have to be willing to ask ourselves some difficult questions and to respond with honesty and intention, even if we don’t have all the answers.

Can leather ever be sustainable?

According to The World Resources Institute, cattle farming was responsible for 36% of global deforestation between 2001 and 2015, driving species extinction and making a significant contribution to climate change. This statistic is certainly sobering, but we believe the problem is not the cow, it’s the how. On a regenerative and rotational farm, livestock play an essential role in maintaining soil health, and healthy soil actually draws down and stores carbon from the atmosphere. The Rodale Institute, pioneers of research in organic and regenerative agriculture, state that “*of all farming practices, pasture-based livestock operations have the most potential to sequester carbon*”.

It is abundantly clear that Mulberry’s 50-year association with leather is both our greatest challenge and our greatest opportunity. That’s why we are pioneering a hyper-local,

hyper-transparent ‘farm to finished product’ supply chain and working with a network of progressive farmers who are committed to practices that improve soil health and encourage biodiversity.

Our transformative approach to leather sourcing will be reflected in the way we innovate new solutions across our business, from integrating recycled nylon and regenerative organic cotton into our products to continuously assessing and reducing the environmental impact of our packaging and our physical store network.

Can you make a blue bag green?

We are working hard to change our bags and our business from the inside out. Mulberry has always been a brand built on community and locality, and since our inception we have remained committed to making more than half of our products in our Somerset factories. Today those factories are carbon neutral and every person working in them is paid a real Living Wage, but proud as we are of these achievements, we know we have to go much further to make transformational change. That’s why we are working in partnership with industry-leading tanneries to develop the world’s lowest carbon leather, sourced from environmentally conscious farms and to encourage all our suppliers to align with our real Living Wage commitment. In 2021 we will release our first ‘farm to finished product’ bags: a collection that will represent

the future of our business, establishing a model that we will replicate with our network of trusted partners, laying the foundations for our next 50 years.

Who needs a new bag?

The uncomfortable but honest answer is that there are probably enough bags in the world already to be exchanged and resold for generations to come. That’s why any new bags we do make must have a positive impact to be relevant. However, we also believe that our responsibility and our business don’t end when a customer leaves our store. In fact, that’s when the real work begins. We know that many of the bags we made 50 years ago are still going strong today, and we believe those we make today should be doing the same for the next 50 years. Our Repairs Team at The Rookery, our Somerset manufacturing home, are masters of restoration and we are proud to say we repair and renew over 10,000 bags a year.

Can you teach an old bag new tricks?

Much as we might like every customer who buys a bag from us to keep it for life and hand it down to the next generation, we also believe that a change or exchange can still be positive for everyone. That’s why we’ve established the Mulberry Exchange, an in-store and digital platform to

match authenticated and beautifully restored classics with a new owner, ensuring that a humble bag can have many lives. If the day comes that one of our bags really has reached the end of the line, we will buy it back, and use it to power the production of a new bag through an innovative energy reclaim system unique to our strategic partner Muirhead, a member of the Scottish Leather Group, ensuring that the line never ends, it just becomes a circle.

Can a bag save the world?

The alchemy of real change is born from a willingness to ask ourselves the hard questions and to keep seeking meaningful answers. Can a Mulberry bag come with a promise of regeneration, renewal and reimagination? If it can, and we believe it can, then yes, a bag can truly play a part in making things better. We hold that belief as a beacon for a brighter future and support it with genuine action. Because, in the words of Marvin Gaye...

“*You know, we’ve got to find a way*”.

Made to Last

Launched as part of our Made to Last Manifesto, 'Made to Last' is the name we give our global sustainability strategy, and runs throughout the heart of our business. The strategy has evolved from previous policies and practices which formed our commitments to a responsible and sustainable future. At the centre of our Made to Last strategy is our commitment to a Net Zero Future.

We are committed to achieving net zero greenhouse gas emissions by 2035.



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Net Zero Future



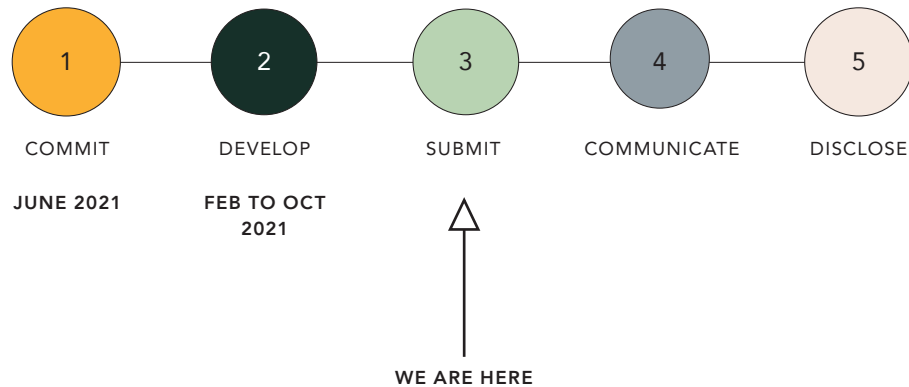


Our two UK factories,
The Rookery and
The Willows, have been
carbon neutral since 2019.

Science Based Targets

The first step on our road to Net Zero is to set science-based targets. So far, we have pledged this commitment to the Science Based Targets Initiative (SBTi) and are in the midst of verifying our targets ahead of final approval. These targets will help us manage our progress, and we will be required to report on our achievements on an annual basis.

SET A TARGET



What is a science based target?

Science-based targets show companies how much and how quickly they need to reduce their greenhouse gas emissions to prevent the worst effects of climate change. They are aligned to the most recent climate science.

What does carbon neutral mean?

Carbon neutrality is achieved by measuring and offsetting 100% of a carbon footprint. Mulberry chooses to offset its carbon footprint by purchasing verified carbon units and investing in nature-based solutions to slow down the effects of climate change.

What does Net Zero mean?

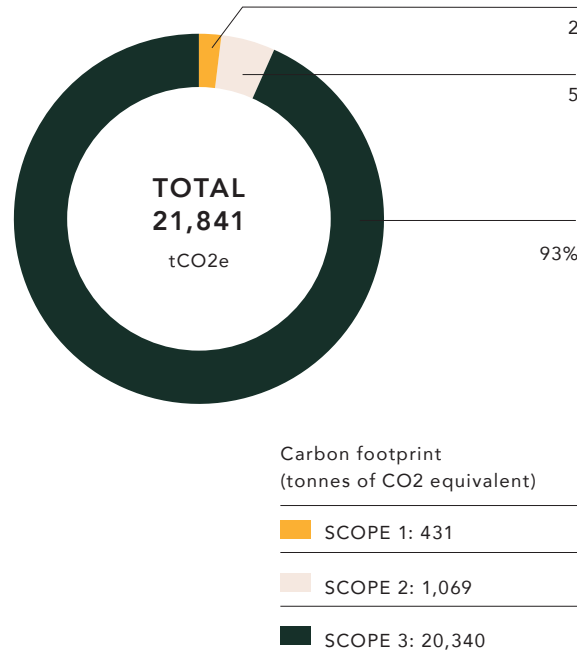
Net Zero refers to balancing the amount of greenhouse gases emitted by a business by offsetting or sequestering equivalent emissions which can't be removed. Mulberry's target is to reach net zero carbon emissions by 2035.

Our Baseline Carbon Footprint

During 2021, we worked with our climate expert partners, the Carbon Trust, to measure our global carbon footprint across Scopes 1, 2 and 3. We used April 2019 to March 2020 as our baseline year, defining a more representative snapshot of the business before the COVID-19 pandemic. We worked together across our entire business network, to collect detailed data including talking to our employees about how they travel to work, discussing farming practices with our tanneries and measuring the material impact which goes into fitting out our stores and visual merchandising.

Unsurprisingly, we learnt that only 6% of our Emissions related to Scope 1 and 2, where we have direct control. 94% of our emissions occur in Scope 3, within our supply chain and indirect wider business operations.

SCOPE 1	DIRECT	GHG emissions directly from operations that are owned or controlled by Mulberry e.g. fuel for company vehicles, refrigerant leakages
SCOPE 2	INDIRECT	Indirect GHG emissions from the generation of purchased or acquired electricity, steam, heating, or cooling consumed by the reporting company
SCOPE 3		All indirect GHG emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions e.g. raw materials, business travel, franchises



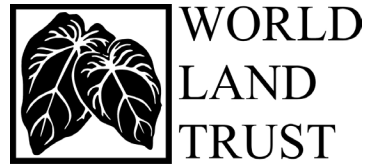
“ Mulberry has always been a brand built heavily on community. A key part of that is the long-standing relationships that we have built over the years with many progressive supplier partners who share our vision. In taking responsibility for our extended supply chain, which accounts for 32% of our Scope 3 emissions, we will be working more closely than ever to achieve our ambition of Net Zero greenhouse gas emissions by 2035. The journey is founded on honesty and transparency, and success relies heavily data visibility and the collective determination to improve.”

— Rob Billington, Supply Chain Director

OFFSETTING OUR CARBON FOOTPRINT WITH WORLD LAND TRUST

World Land Trust is an international conservation charity. They protect the world’s most significant and threatened habitats, as well as partnering with local communities to educate and support them whilst also raising awareness of their mission.

We recognise that carbon offsetting is not a perfect solution, but we are proud to partner with World Land Trust, investing in their nature-based solutions to offset our UK carbon footprint.



UK CARBON FOOTPRINT OFFSETTING

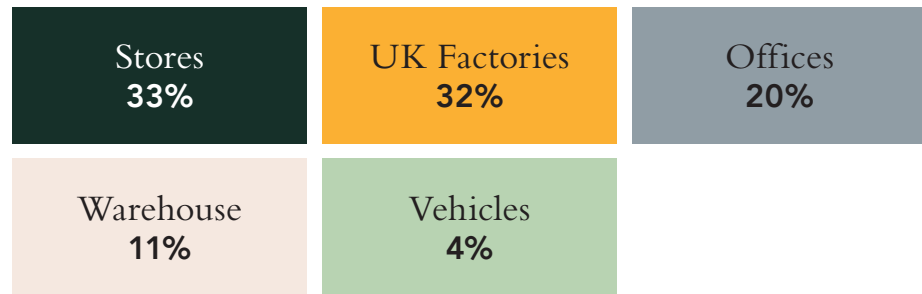
FINANCIAL YEAR	2019/20	2020/21	2021/22
tCO2e	1106.9	875.24	CURRENTLY CALCULATING

“ World Land Trust is delighted to be working in partnership with Mulberry as part of their sustainability journey and grateful for their support of our Carbon Balanced programme. The company’s contributions between April 2019 to March 2021 have offset 1,982 tonnes of carbon through our project in Caribbean Guatemala, addressing climate change and helping WLT and local partner FUNDAECO to protect the rich habitats and biodiversity of the region whilst supporting the local community with livelihood opportunities, health and education programmes. Our thanks to Mulberry for your commitment to WLT’s work to save land and species. ”

— Emma Douglas, Director of Development, World Land Trust

SCOPE 1 & 2

Scope 1 & 2 refers to Mulberry sites which are in our own operation, such as our stand-alone store network, Somerset factories The Rookery and The Willows and warehouses. Our emissions for Scope 1 & 2 total 1,500.1tCO₂e, broken down into categories as below:



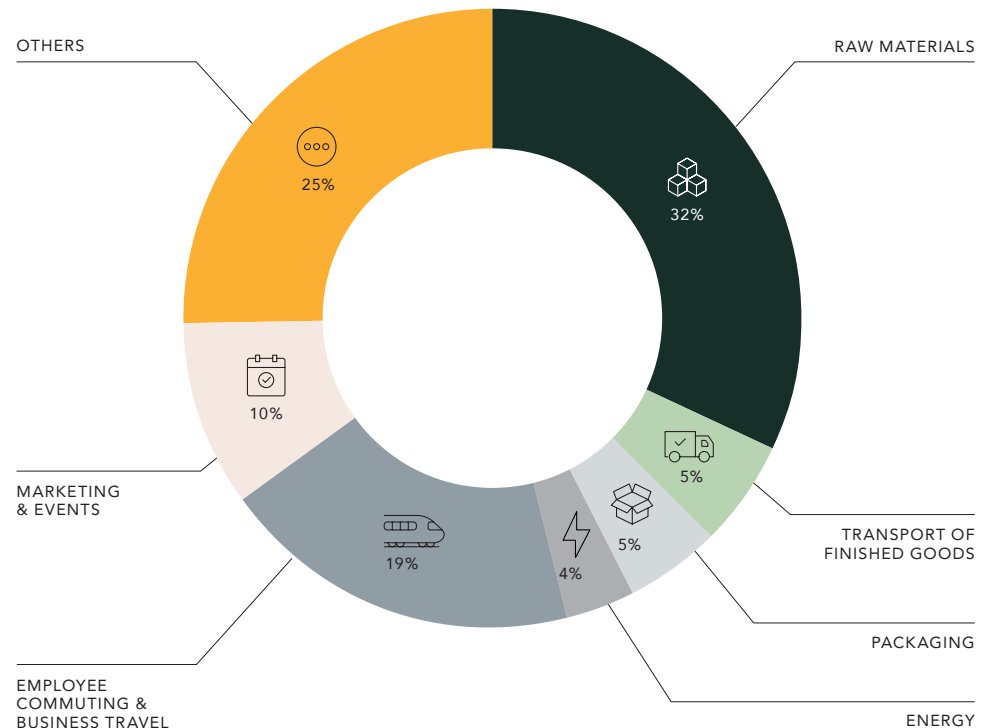
REDUCTIONS WE'VE MADE TO OUR SCOPE 1 & 2 EMISSIONS SO FAR:

- We already have solar panels installed on the roof of The Willows and are looking to invest in more carbon insetting by increasing their capacity.
- Many of our sites are controlled with light and motion sensitive fixtures, which automatically switch off when no movement is detected or when natural light is sufficient.
- 33% of our own operated store network has solely LED lighting in front and back of house, with the remaining 67% having partially installed LED lighting. We are continuing the upgrade of this lighting as units fail and require replacing.
- We have 2 electric vehicle car charging points at our London head office, and 4 at The Rookery. We are installing more at The Willows later in 2022.

SCOPE 3

Scope 3 refers to emissions generated from all other business operations which aren't in our direct control, such as sourcing raw materials, waste and business travel. Supplier collaboration is an essential part of our carbon reduction strategy, as data visibility remains key as we travel further up the supply chain to measure our impact.

SCOPE 3 EMISSIONS (TCO₂E)







ADDRESSING OUR SCOPE 3 FOOTPRINT:

Our Scope 3 carbon footprint provides us with insight into where our business is generating carbon emissions, and subsequently, where we will focus our most aggressive reductions plans. Scope 3 makes up 94% of our whole carbon footprint, and 32% of our emissions are generated through the sourcing of raw materials. We recognise the importance of reductions across all Greenhouse Gas Protocol categories and have defined immediate actions where we can make an impact.



GHG PROTOCOL CATEGORY	CURRENT STATUS	2022-2023 IMMEDIATE ACTIONS
<p>1. PURCHASED GOODS & SERVICES</p>	<ul style="list-style-type: none"> We have surveyed our Tier 1 suppliers to understand their energy procurement and consumption. Last year's survey taught us that 97% of our suppliers monitor their energy consumption and 62% of them are using green energy tariffs. 	<ul style="list-style-type: none"> Extend our surveying to Tier 2 suppliers.
<p>5. WASTE</p>	<ul style="list-style-type: none"> 4 of our UK retail stores, including our Regent Street flagship, were awarded the First Mile Recycling Standard 2021 for achieving a recycling rate of 81%. 128.5 tonnes of non-recyclable waste was diverted from landfill, from our UK factories, warehouses and offices in 2021. 	<ul style="list-style-type: none"> Achieve accredited Zero Waste to Landfill certification for all our UK operations. Ensure all Global stores achieve an 80% or above recycling rate.
<p>6. BUSINESS TRAVEL</p>	<ul style="list-style-type: none"> We have successfully captured CO2 emission data on all employee journeys, broken down by department, which will enable us to define a decarbonisation strategy. 	<ul style="list-style-type: none"> A full review of internal travel policies to promote more environmentally sustainable travel habits, ensuring we meet our newly defined reduction targets. Offset the carbon emissions generated from flights booked through our travel portal from April 2022.
<p>7. EMPLOYEE COMMUTING</p>	<ul style="list-style-type: none"> We introduced a hybrid working policy which allows employees to work 50% of the time from home, reducing our global employee commuting footprint, and positively impacting our employees work-life balance. 	<ul style="list-style-type: none"> Conduct more detailed analysis of the environmental impact of our employee commuting practices, to feed into the development of a reduction target.
<p>9. TRANSPORTATION (DOWNSTREAM)</p>	<ul style="list-style-type: none"> To reduce emissions generated from the shipping of samples between two work sites, we purchased a 360-degree product photography system for our Development Centre in Somerset, which produces hires, interactive images to share digitally with our Product Development team in London. 	<ul style="list-style-type: none"> Introduce this technology to additional business areas to minimise the physical shipping of samples and prototypes between sites.

Road to Net Zero Progress

<p>REGENERATIVE SOURCING</p> <p>'Responsibly source all raw materials and drive regenerative models and sustainable material innovation'</p>	<p>NET-ZERO MANUFACTURING</p> <p>'Measure our impact to protect and enhance the environment and livelihoods in our supply chain'</p>	<p>PRODUCT CIRCULARITY</p> <p>'Enhance our offering of a fully circular product lifecycle, to reduce waste and encourage sustainable consumption'</p>	<p>INCLUSIVE COMMUNITIES</p> <p>'Positively impact our communities and drive change towards a more diverse, equitable and inclusive future'</p>
<p></p> <p>SUSTAINABLE LEATHER</p> <p>We launched our 'farm to finished product' bags with Muirhead using the world's lowest carbon leather. 88% of the leather sourced for our AW22 collection is from environmentally accredited tanneries.</p>	<p></p> <p>MADE IN THE UK</p> <p>Our Somerset factories continue to be carbon neutral. We employ over 350 people in our UK factories.</p>	<p></p> <p>MADE TO LAST</p> <p>We have an unwavering commitment to manufacturing high quality products, ensuring they are Made to Last, to be passed on to future generations.</p>	<p></p> <p>SOCIAL EQUITY</p> <p>We support numerous charities and organisations, created the Mulberry Somerset Community Fund to benefit our local community, and collaborate on fundraising projects with The Felix Project.</p>
<p></p> <p>TRANSPARENT ORIGINS</p> <p>We are part of the UNECE leather blockchain pilot, working to improve traceability throughout the leather value chain from farm to finished product.</p>	<p></p> <p>MANUFACTURING PARTNERS</p> <p>We continue to work with a trusted network of partners, who share our Made to Last vision. 94% of our suppliers have their own environmental policy.</p>	<p></p> <p>THE MULBERRY EXCHANGE</p> <p>In 2021, we bought back thousands of bags from our customers and which are resold across our stores, website and the Vestiaire Collective platform.</p>	<p></p> <p>CULTURE & WELLBEING</p> <p>We have implemented a hybrid working policy which has positively impacted the work-life balance of our employees, and will also help reduce our Scope 3 emissions for employee commuting.</p>
<p></p> <p>REGENERATIVE SOURCING</p> <p>We are continuing to trial innovative materials, and working on improving our packaging offering.</p>	<p></p> <p>ENVIRONMENT AND CLIMATE</p> <p>We have begun work on writing a decarbonisation strategy, and will be submitting our targets to the Science Based Targets Initiative this Summer.</p>	<p></p> <p>CONSCIOUS CIRCULARITY</p> <p>We repaired or refurbished more than 10,000 items at our Lifetime Service Centre in the last financial year.</p>	<p></p> <p>NEXT GENERATION</p> <p>We educate our retail employees to run more efficient stores and provide them with training and understanding on carbon related issues, such as energy efficiency and waste management.</p>

We recognise the importance of cross-industry collaboration in reducing our carbon impact, whether that's the luxury, fashion, or leather industries. By working alongside other brands and retailers, we can progress together.

WE ARE MEMBERS OF:

Environment	Fashion	Materials
Sustainable Markets Initiative	The Fashion Pact	Leather Working Group
Terra Carta	Walpole's British Luxury Sustainability Manifesto	Sustainable Leather Foundation
Race to Zero	United Nations Fashion Industry Charter for Climate Action	Better Cotton
The Sustainability Pledge	British Fashion Council	Leather UK
		Textile Exchange

Muir
Fine Scottish

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Regenerative Sourcing



We are committed to
sourcing all leather from
environmentally accredited
sources by 2023.

*Leather Working Group or ISO:14001

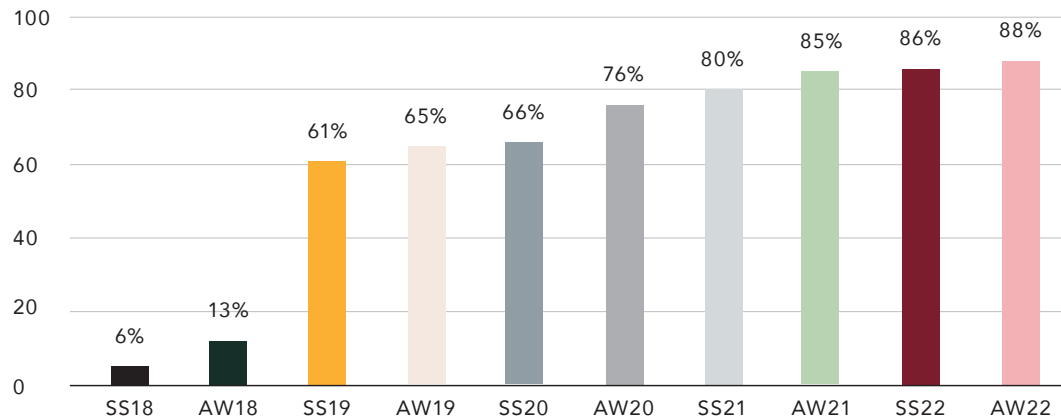
Sustainable Leather

Leather goods are the foundation of our business and comprise over 90% of our collection. We source finished leather directly from our tannery partners in the UK, Italy, Germany, Spain and Turkey, who have or are planning to be audited by the Leather Working Group, or another auditing body, to measure their environmental impact. Since SS18, we have increased the proportion of leather purchased from these tanneries by more than 80%.

In 2020, we joined the Sustainable Leather Foundation (SLF) as a founding partner. As well as assessing a leather manufacturer’s environmental credibility, SLF also reviews their social performance and governance, giving us a 360-degree view of sustainability matters.



LEATHER FROM ENVIRONMENTALLY ACCREDITED TANNERIES



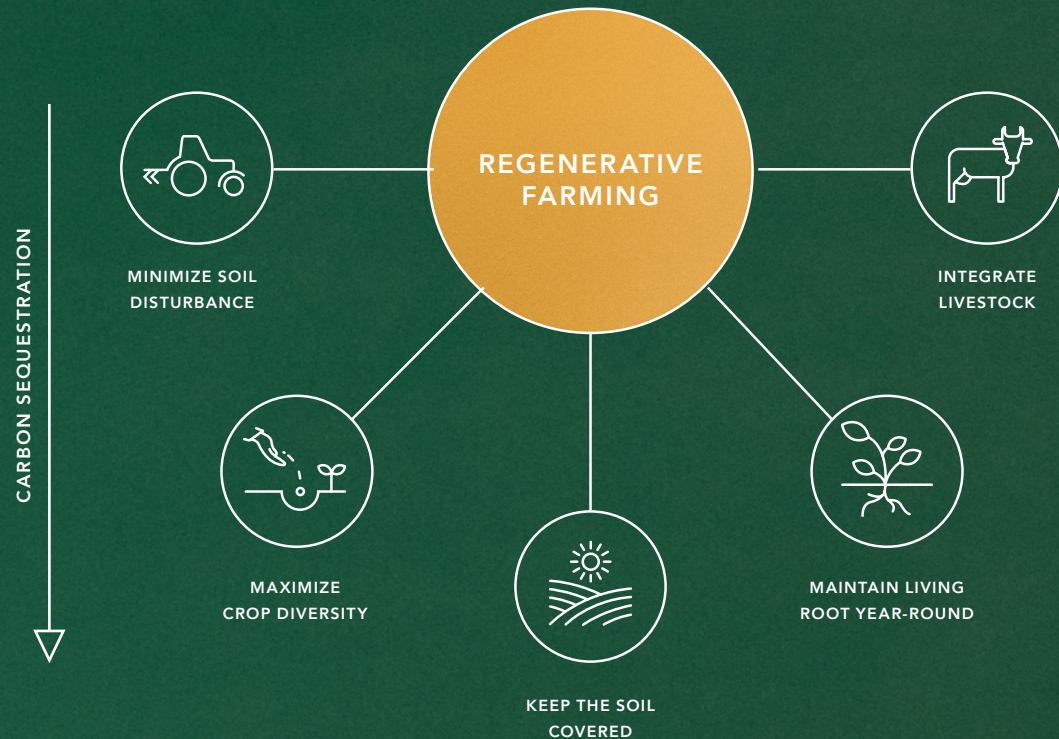
*Volume of leather sourced per season from tanneries with environmental accreditation.

*AW22 includes Drop 1 to 4 confirmed and Drop 5 to 6 forecasted.

“ Working with Mulberry to support the company’s Made to Last manifesto and sustainability vision is a real example of collective partnership action to achieve better outcomes for all. Having Mulberry’s support at the Sustainable Leather Foundation, as a founding partner, is a real testament to their understanding that sustainability in the leather value chain isn’t just about the environmental impacts, it’s a wider remit that encompasses social and governance criteria too. It is also particularly rewarding for SLF to benefit from the real input that Mulberry provides, including their participation in our Advisory Board. Sustainability isn’t a ‘tick-box’ exercise - it requires effort and work to make transformative change and we are looking forward to developing an even stronger partnership with the team at Mulberry and their connected value chain in order to support a sustainable future.”

— Deborah Taylor, Managing Director, Sustainable Leather Foundation

By 2030 we are aiming for our entire leather supply chain to adhere to a transformative sourcing and production model.



THE IMPORTANCE OF TRACEABILITY

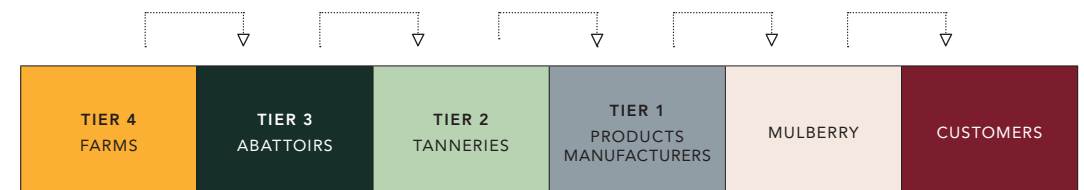
We are committed to transforming our entire leather supply chain to a regenerative agriculture model, because on a regenerative and rotational farm, livestock play an essential role in maintaining soil health, which not only enables them to have a free-range life but also improves biodiversity and stores carbon from the atmosphere. We are working to build a network of regenerative farmers to supply leather into our supply chain.

In order to achieve a transformation of our leather supply chain to a regenerative model, it's essential for us to have full traceability on all our materials. For leather in particular, this means it's crucial for us to be able to trace back to farm.

There are typically multiple suppliers involved in a leather supply chain, and while today most emphasis is placed on Tier 2 tanneries, Mulberry is committed to achieving full transparency of the entire supply chain, in order to ensure we reduce the upstream impact of leather.

In addition, we do not source exotic leathers, such as snake, due to the associated animal welfare concerns and poor traceability. We are also a Fur Free Retailer.

BASIC SUPPLY CHAIN



FARM TO WARDROBE

In November, we launched our first ‘farm to wardrobe’ British bags in collaboration with Muirhead, a member of the Scottish Leather Group. Through this capsule we were able to have full provenance of our products, through Scottish Leather Group’s local sourcing strategy and transparent approach to traceability.

We continue to invest in establishing and scaling this approach by working with organisations including the Leather Working Group and the Sustainable Leather Foundation, who support best practice in traceability, animal welfare, and environmental management.

We are active partners in the UNECE leather blockchain pilot, which is focused on increasing transparency and traceability in the leather value chain, supported by validated claims.



Material Innovation

Alongside leather, we source a variety of fabrics, materials, and components to create our collections, and align their credentials with our Low Impact Materials strategy. Our approach so far has been to make rolling changes to our conventional materials, such as cotton, to improve their sustainability credentials as we develop each seasonal range.

We have made rolling changes from conventional to bio-acetate in our Eyewear range, conventional scotchgrain to bio-based scotchgrain, and conventional nylon to recycled nylon or ECONYL® across all categories.

Looking forward, we continue to sample and trial new material innovations across our Accessories categories in our Development Centre and are working with our Soft Accessories and Jewellery suppliers to decrease the material impact of these categories.



Softie in Mulberry Pink Recycled Padded Nylon

MATERIAL	CURRENT STATUS	TARGET
COTTON	We are a brand member of Better Cotton and a signatory of Textile Exchange's 2025 Sustainable Cotton Challenge. 85% of our cotton used is certified organic. Care bags are sourced through our Better Cotton membership.	100% SUSTAINABLE COTTON BY 2025
NYLON	We have used 100% certified recycled nylon or ECONYL® since SS20	ACHIEVED
POLYESTER	75% of our polyester is certified recycled. We are trialling recycled polyester in thread and interlinings.	100% RECYCLED POLYESTER BY 2023
SCOTCHGRAIN	In AW21, we introduced Eco-Scotchgrain, crafted from bio-synthetic fibres, to replace our iconic Scotchgrain. In AW22, all Scotchgrain has been converted to Eco-Scotchgrain.	ACHIEVED
FEATHER AND DOWN	100% Responsible Down Standard With the launch of our Softie bag as part of our SS22 collection, we ensured all down and feather used was certified to the Responsible Down Standard.	ACHIEVED
BIO-ACETATE	We use bio-acetate frames and nylon bio-lenses as part of our eyewear collection. Due to colour limitations, this does not yet apply to all frames.	INCREASE OUR USE OF BIO-ACETATE FRAMES IN OUR SUNGLASSES RANGE

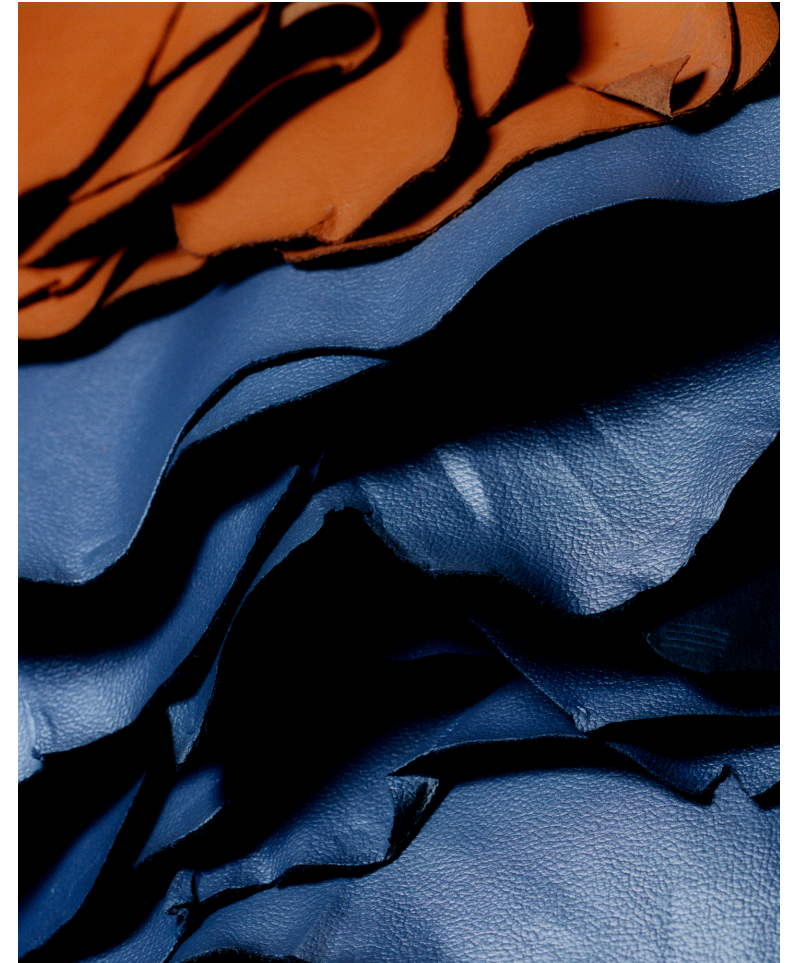
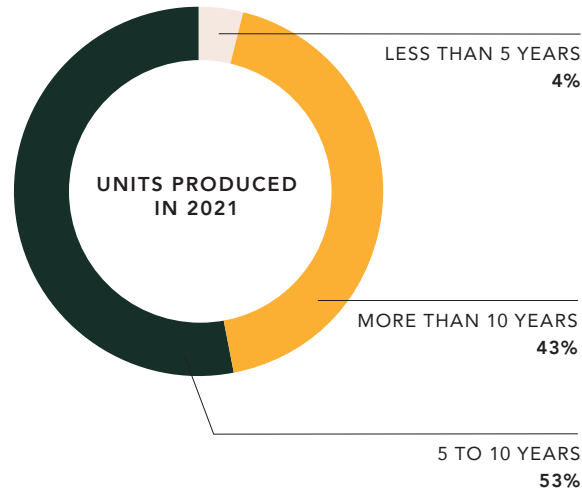
Sourcing Transparency

Alongside our UK manufacturing facilities, we source from a select group of longstanding partners in Italy, Turkey, China, and Vietnam. We work with countries who have established skills and heritage within the leather industry, that can support our high-quality standards and progressive new product development programmes.

Mulberry's international supply chain is centred around sourcing quality raw materials and finished products which meet our quality and environmental expectations. All suppliers have signed up to our Global Sourcing Principles, which set out the requirements we need to conduct business with them, including principles of international law such as the ILO's four fundamental principles for rights at work: no child labour, no forced labour, no discrimination, and the right to freedom of association and collective bargaining.

Suppliers are subject to inspections every 12 to 24 months by our third-party auditing partners, The Reassurance Network, who assess their performance against our Global Sourcing Principles. During the COVID-19 lockdowns when harsh travel restrictions were in place, audits continued to be carried out remotely. Additionally, our In-Country Managers are trained social auditors.

For Mulberry products manufactured in 2021, 43% were sourced from suppliers we've worked with for more than 10 years, and 53% from suppliers we've worked with for more than 5 years.



* Excludes Mulberry UK production.

** Based on units received in to Mulberry's warehouses from 1st January to 31st December 2021.

Net Zero Manufacturing



Made in the UK

Mulberry's presence in the South West of England harks back to its beginnings, when we were first established as a family-run business in 1971. Our original UK manufacturing home, The Rookery in Chilcompton, is our centre of excellence for product development, and home to our highly skilled Development team, Artisan Studio and world-class Lifetime Service Centre. Our second UK factory, The Willows, opened in Bridgwater in 2013 and is our main production site in the UK, housing 7 production lines and employing over 250 employees. Combined, our Somerset factories enable us to be the largest manufacturer of luxury leather goods in the UK.

Craftspeople joining us are not required to have any experience in leather goods manufacturing or working in a factory environment, as they follow a comprehensive internal training programme which equips them with the skills needed to craft Mulberry bags, whether that's cutting leather, edge inking, stitching or quality inspection.





We currently produce more than 1,600 bags per week in our UK factories.

Both The Rookery and The Willows have been carbon neutral since 2019 and a portion of the electricity for The Willows is generated by solar panels on the roof. Both sites are partnered with a Zero Waste to Landfill provider, which means that no unrecyclable waste goes to landfill and is recovered as energy instead.

Recently installed cutting technology at both factories enables us to maximise the utility of the surface of each hide of leather. The remaining offcuts of leather, which are either too small to be used in production or may be below our quality standards, are then donated to local craft groups, schools and scrapstores.

We regularly host educational tours for colleges and university classes wanting to see inside the factory to learn more about manufacturing in the UK.



Water & Chemical Management

Water security is a growing global issue, and it is becoming increasingly important for businesses to discover hidden water risks in their own operations and supply chains. To begin looking at this, we have used World Wildlife Fund's Water Risk Filter to map our water consumption and risk for both of our UK factories. The Water Risk Filter classed our Somerset sites as 'low risk,' however, if we continue on our current water use trajectory, we could see this increase to 'medium risk' by 2030.

In 2011, we installed a rainwater harvesting tank on the roof of The Rookery, which collects grey water to flush the toilets within the building. Since it's installation, it is estimated that this system harvests 400m³ of water a year.

The manufacture of our products requires the use of chemicals; whether it's the tanning agents used by leather manufacturers, adhesives used in handbag assembly, or the cleaning products used at the end of the day, each chemical must be safe and stable.

Mulberry has its own Product Restricted Substance List, which states the main substances that are restricted for use in accessories, apparel, and footwear products. These limits are in line with the Zero Discharge of Hazardous Chemicals (ZDHC) standard and are set to the strictest legal limits in the markets where we sell our products. Our suppliers all have robust chemical management practices and carry out their own due diligence testing to ensure that their systems are compliant with our restrictions.

All of our tanneries are based in Europe, and we predominantly source from suppliers located in Italy, Germany, Spain and Turkey.



A benefit to sourcing leather from Leather Working Group accredited tanneries is that we can guarantee that they are being held accountable for their environmental performance regarding water, chemicals, energy efficiency and waste. Most of the leather we source is chrome tanned or vegetable tanned, and every new article introduced into a Mulberry range is subject to external chemical testing at a laboratory before it can be used in main production.

A person wearing a light beige trench coat is shown from the waist up, holding several leather handbags. The bags are in various shades of brown and tan. One bag is a large, dark brown satchel with a flap and a buckle. Another is a medium-sized, tan pebbled leather bag with a flap and a buckle. A third is a smaller, dark brown bag with a flap and a buckle. A fourth is a quilted, tan leather bag with a flap and a buckle. The person's hands are visible, holding the bags. The background is a plain, light-colored wall.

05

Product Circularity



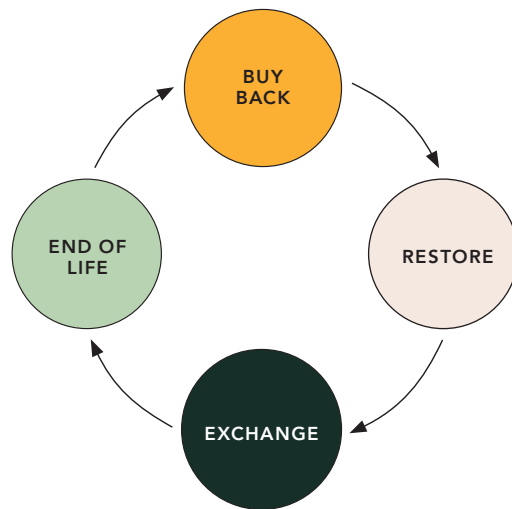
Last year* our
Lifetime Service Centre at
The Rookery repaired or
refurbished over 10,000 items.

*April 2021 to March 2022

The Mulberry Exchange

Mulberry bags are created to last a lifetime and be handed down to the next generation, however, we also believe that a change or exchange can still be positive for everyone. The Mulberry Exchange was launched in 2020 with the aim of authenticating and beautifully restoring Mulberry classics, matching them with a new owner, whilst giving customers the chance to return their pre-loved bags in any Mulberry store or by sending to our Lifetime Service Centre in Somerset, who will buy bags back in exchange for credit towards a new purchase.

Pre-loved bags are available to buy in-store and online at Mulberry.com.



In 2021, we were one of the first brands to partner with resale platform Vestiaire Collective on their Brand Approved programme, which showcases and sells second-hand limited-edition pieces and rare silhouettes.

The Mulberry Exchange has formed a key part of our commitment to circularity and in 2021 we bought back thousands of bags from our customers. From, which we have re-sold across our stores, website, and the Vestiaire Collective platform.



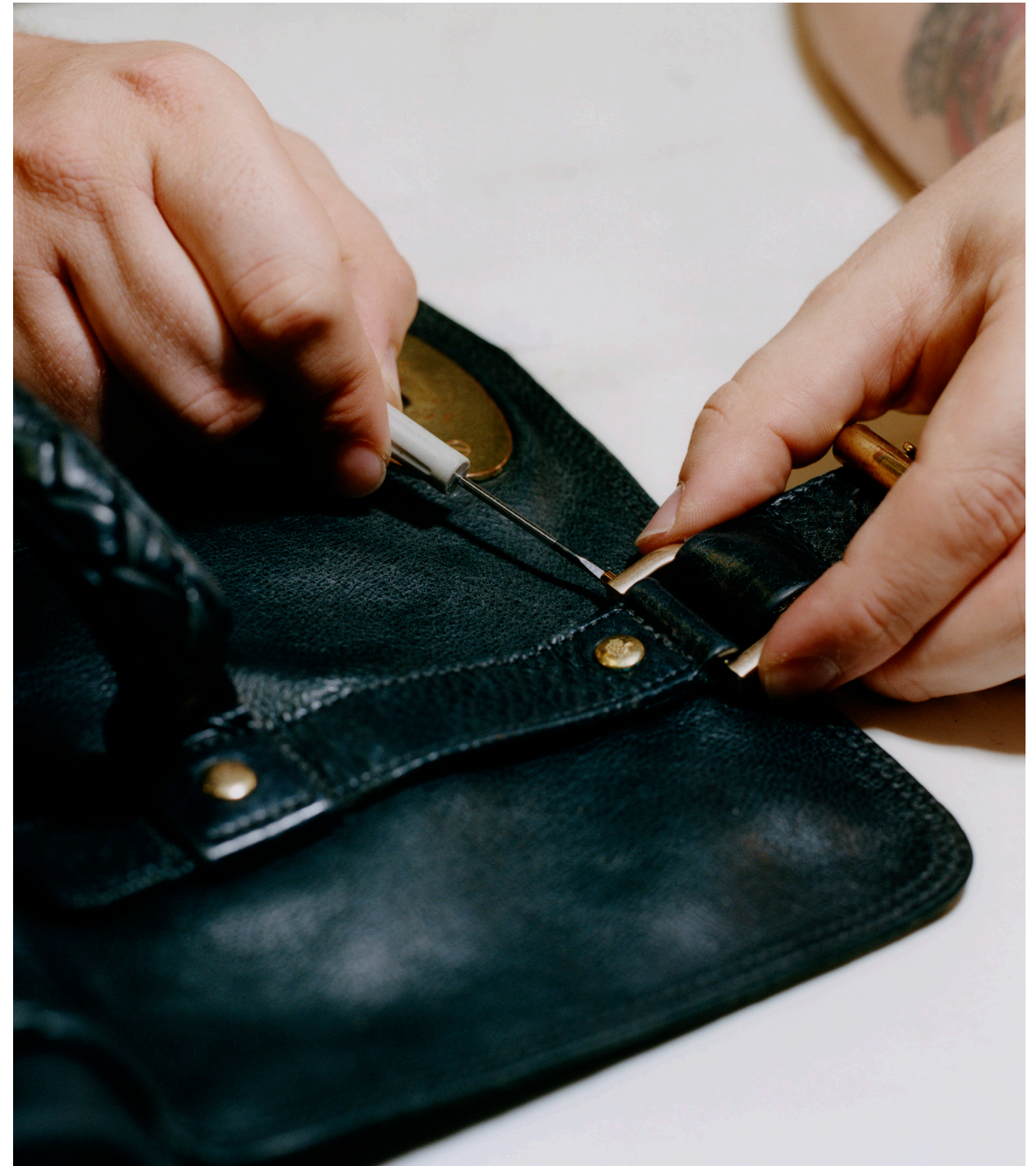
The team within the Lifetime Service Centre at The Rookery are masters of restoration, breathing new life into thousands of pre-loved Mulberry items every year. The centre has an archive of leather and hardware dating back over 35 years and comprises of a variety of different stations helping them to carry out many types of repairs – from replacing zips and locks, to full deconstruction and restoration.

If an item is assessed by the Lifetime Service Centre as beyond repair, we will offer to buy it back from the customer and reclaim the energy via our strategic partner, Scottish Leather Group, who have a thermal energy reclamation plant.

Alongside our LSC, our retail teams are also trained and equipped with a repairs tool box to carry out minor repairs such as small scratches, and to show our customers how to effectively clean and care for their Mulberry product. A selection of our care products are available for purchase instore and online.

REPAIRS TOOL BOX

TOUCH UP PENS	LEATHER CREAMS, GELS AND POLISHES	LEATHER CLEANER
LEATHER MOPS AND CLOTHS	GLUE	SCREWDRIVER AND PILER PUNCH
BRUSHES		





“ Colour restoration is the perfect job for a perfectionist. It can literally take just one drop of paint to throw a colour off. When you get it exactly right, it’s so rewarding.”

— Ellie Moore, Colour Restoration specialist



“ You’ve got to persevere and be patient with repairs because there’s not one bag that’s the same, even if they come to you with the same problem. But what I like about Mulberry is the great quality. The bags really do last.”

— Caroline Treasure, Stitching specialist



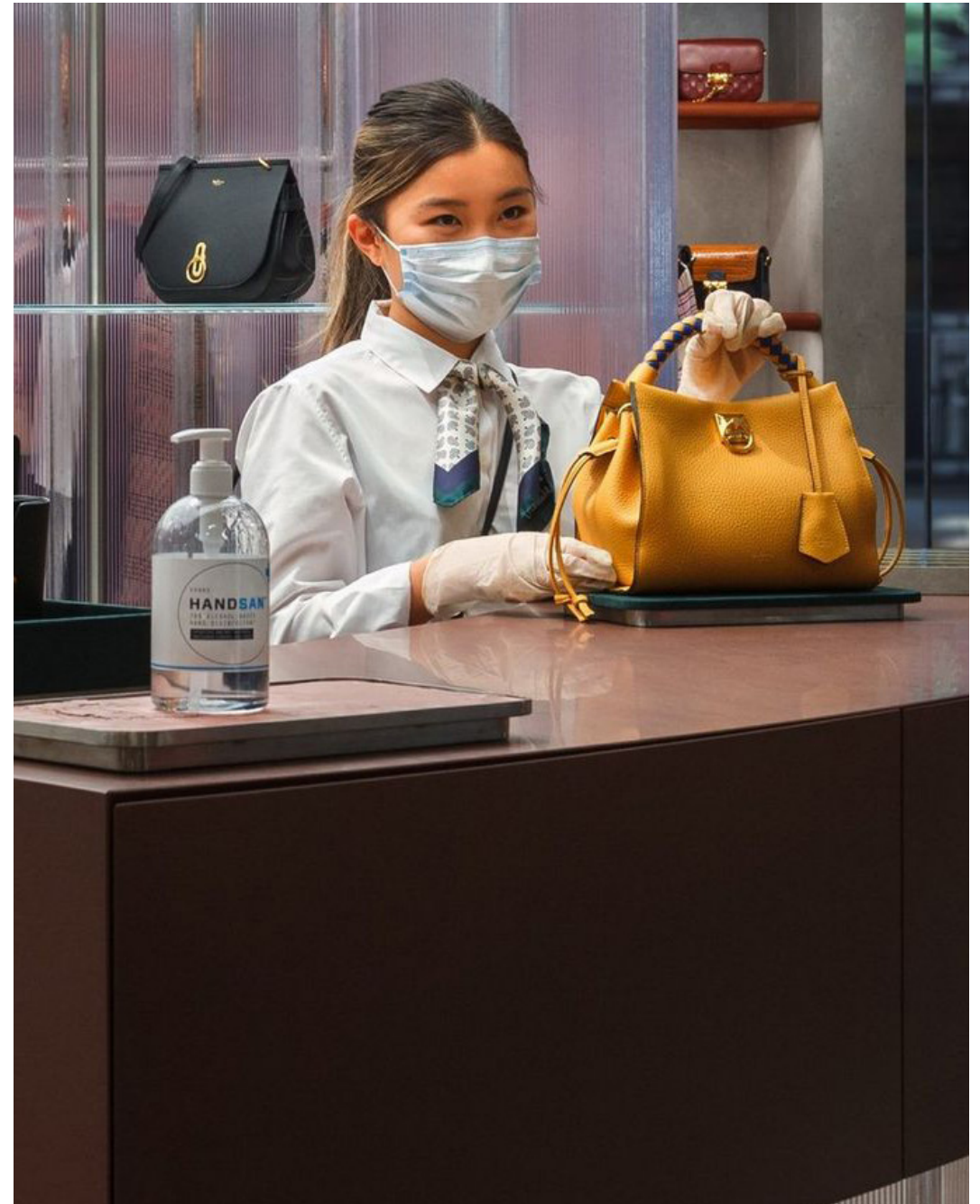
“ My favourite part of the job is at the end, comparing the bag I’m packing to send back to its owner to the one that came in. Suddenly we have a bag that could be brand new. It’s amazing what can be done.”

— Paulina Ackerman, Quality Inspector

“ The launch of the Mulberry Exchange came as an extension of the business’s commitment to circularity. Mulberry’s dedication to Made to Last has seen thousands of our products repaired and restored.

Now with an omni-channel approach, customers are able to exchange any Mulberry bag regardless of age or condition. This service not only prolongs the lifetime of our products but reduces the impact on the environment, in a fully sustainable process which, turns unrepairable products into energy, closing the circle.”

— Ian Earnshaw, Commercial Director, Mulberry



Waste

In the UK, we mostly work with Zero Waste to Landfill providers, such as Biffa and First Mile. This means that any non-recyclable waste which would traditionally go to landfill is instead processed at an Energy Recovery Facility, which creates electricity for the National Grid. This year, we will achieve Zero Waste to Landfill certification for those sites where we are in control of the waste streams.

Our mixed recycling is taken to a Mixed Recycling Facility where a combination of advanced mechanical sorting techniques and manual quality control is used to separate the materials so that they can be reprocessed into new products. Dry mixed recycling can include paper, cardboard, metal cans and plastic.

128.25 tonnes of
non-recyclable waste
was diverted from
landfill in 2021.

* UK factories, warehouses, and office

ZERO TOLERANCE ON DESTRUCTION OF GOODS

Mulberry has a zero-tolerance policy on the destruction of quality goods. Unsold seasonal stock is diverted to our global network of Outlet stores, and we recycle all discarded employee uniform. We hold an annual employee sale consisting of samples and stock not fit for sale, which are sold at a reduced rate. All proceeds raised are added to our Mulberry Somerset Community Fund, or to support other charitable causes relevant to Mulberry and its employees.

ENERGY RECOVERY

Our strategic partner, Muirhead, a member of the Scottish Leather Group, has a cutting-edge thermal energy plant, unique in the leather industry, that enables them to convert solid waste to steam, circularising the manufacture of our leather. Their innovative take-back scheme converts end-of-life leather into fuel for their thermal energy plant, so that old leather contributes to the manufacture of new. That's why we'll still buy back any Mulberry bag that's reached the end of its life, and by using Muirhead's innovative energy reclamation technology, we can ensure its recovered energy becomes part of our circular supply chain, powering the production of a new Mulberry bag.

Packaging

CUPCYCLING

Mulberry's iconic green carrier bags are created from CupCycling, an innovative technology which repurposes coffee cups to create paper whilst also allowing the plastic lining found in coffee cups to be recycled. Since we started using CupCycled paper, our partners at the James Cropper papermill repurposed over 2.8 million coffee cups for Mulberry Green paper that would otherwise have been sent to landfill. All additional Mulberry paper and card is FSC® certified.

Alongside this, all our customer-facing packaging will be recyclable by the end of 2022, and we are reviewing our omni-channel packaging offering, introducing "light" and "luxury" options at check out for customers to choose their preferred option.

We are working with our partners and suppliers to reduce the amount of cardboard used for packaging, and to eliminate all plastic from our business-to-business operations. We are also currently in the process of changing the composition of our ribbon and handles for our carrier bags from a polyester/cotton mix to TENCEL™, which will be certified as compostable and biodegradable.





06

Inclusive Communities

Mulberry

Mulberry

Culture & Wellbeing

Our employee values help foster a culture of well-being and acceptance, where everyone is celebrated for their individuality. We are committed to a culture and environment where all employees can thrive, irrespective of their gender identity, sexual orientation, marital & civil partnership status, parental status, race or ethnicity, religion or religious belief, political opinion, physical appearance, age, or disability.

Adopting a progressive approach to our People Policies and Practices enables us to attract and hire more diverse talent, across all protected characteristics. We make every effort to supply the most diverse candidate shortlist possible and guarantee all employees have the equal opportunity to develop and progress to more senior posts.

All our employees have access to our internal intranet - 'The Tree' - where we post company information, updates, and employee achievements, and encourage communication and experience sharing.

OUR EMPLOYEE VALUES



BE IMAGINATIVE

- Mulberry is a creative company that thrives on your ideas.
- Think of new and better ways of doing things to improve our products, our experiences and our day-to-day processes.
- Think of a different approach to a challenge to make your colleagues' lives easier.
- Think of something that no one else could think of that will help Mulberry be a little - or a lot - better.



BE BOLD

- We need people with the courage to push us forward.
- Take risks, and don't be scared to fail. Dare to move faster than our competitors. Do what needs to be done without waiting for someone else to do it.
- Fix. Improve. Create
- That's what keeps us moving forward.



BE OPEN

- The better we talk to each other, the more effectively we'll work.
- Tell people what you're doing and ask for their help if you need it.
- Share your excitement about your work and ask any questions you might have.
- Listen to other people's ideas and ask how you can help achieve them



BE RESPONSIBLE

- We look after our people, our communities and our environment.
- Respect your colleagues and their different points of view.
- Find ways that you can use your skills to support your local community.
- Treat all our natural resources considerately - whether that's food, fabrics or fuel.

Diversity, Equity & Inclusion

To ensure we are successful in creating a safe and inclusive environment for our employees, we have a committed Diversity and Inclusion (D&I) Committee, formed of employee representatives from around the business who meet regularly to discuss current news, share personal experiences and the experiences of colleagues, and feedback on elements of our D&I Strategy.

D&I training and workshops have taken place for the Management Board, Leadership Team and HR Team, hosted by external specialists. This training aims to raise awareness of D&I issues which can arise within the business and throughout the supply chain. Further seminars continue to be provided company-wide on a variety of topics and we're reviewing how we can expand our offering in the future.

Our most recent Diversity & Inclusion survey was carried out in 2020, which received 483 responses from employees globally. The average 'inclusivity' score across all respondents was 3.7/5, and the survey helped us to identify the top areas where we should look to improve in order to make employees feel more valued as part of the Mulberry family. We are about to run an updated survey in 2022 to measure progress we have made since 2020.



The Halo Code

In June 2021, we adopted The Halo Code, standing together to assure our employees that they will never face judgement or discrimination for coming to work with natural hair or protective hairstyles associated with their racial, ethnic or cultural identities.



Gender Equality

Our most recent Gender Pay Gap report showed that our mean hourly rate gap represented a difference of £7.34 per hour (in favour of men) and our median hourly rate gap represented a difference of £0.25 per hour (in favour of men). Comparing our gender pay gap results with industry data, we see that our median results are significantly better than both the Office for National Statistics (ONS) and Retail sector benchmark. Our median hourly pay gap is 2.1%, compared to ONS result for the wholesale and retail industry of 13.6% and Retail sector of 7.4%.

The composition of our Management Board (made up of our most senior directors and CEO) consists of 4 women and 5 men. Combined with our broader Mulberry Leadership Team, there are 30 women and 15 men at a senior level in our organisation.

LEADERSHIP TEAM



Our recently enhanced maternity pay benefit has increased leave at full pay from 12 weeks to 18 weeks and reduced the length of service to qualify for this benefit to 1 year. We have also introduced more family friendly policies, including leave for IVF treatment, and continue to review and update all people policies in order to make them more inclusive.

75% of our global workforce identify as female.



Living Wage Employer

We are proud to be an accredited Living Wage Employer. This means that every employee working for Mulberry in the UK will earn a real Living Wage.

The Real Living Wage is higher than the UK government's minimum, or National Living Wage, and is an independently calculated hourly rate of pay that is based on the actual cost of living. It is calculated each year and announced by the Living Wage Foundation.

As well as our own employees, we want to ensure that every individual in our supply chain is being paid a living wage, relative to where they are in the world. To do this, we have reviewed the living wage for the countries our suppliers operate in using the Global Living Wage Coalition (GLWC), who provide data on living wage levels around the world, particularly in lower income countries. This data was compared with the average wage suppliers stated that they paid their workers in our 2021 Supplier Questionnaire, which told us that already 53% of our suppliers are paying workers above the living wage for their location. The remaining 47% pay employees the local minimum wage, and whilst it is more challenging to control how workers employed by our suppliers are paid, we are working with them to ensure all will be paid a Global Living Wage.



National Living Wage

£9.50
across the UK

Real Living Wage

£9.90
across the UK

£11.05
in London

Next Generation

APPRENTICESHIPS & TRAINING

We are passionate about providing quality education for young people in the UK, particularly in Somerset. Since 2006, we have operated a leather goods manufacturing apprenticeship programme in conjunction with Bridgwater and Taunton College, which is run directly across The Willows and The Rookery. In 2017, we were the 'Lead Employer' in a national trailblazer group, developing the "Level 2 Leather Craftsperson Standard apprenticeship" which has since become industry recognised, offering graded results for apprentices in the leather goods industries. All of Mulberry's apprentices who have undertaken this new standard have achieved distinctions.

We began to offer additional apprenticeships and training opportunities in 2017, allowing employees to gain knowledge and progress within their departments. These have included Finance, Customer Services and Business Administration qualifications, varying from Level 2 to Level 4. We're currently exploring launching the British Fashion Council Apprenticeship scheme to offer entry level opportunities in our Design & Creative teams. We also have a dedicated in-house Training Advisor to manage the relationships between student and trainer.



RETAIL

Next Gen is also the name we give to our retail mindset. It encompasses innovation, growth progress and is consistently dissecting and analysing the ways we work. The fundamentals of Next Gen lie in striving to create memorable and personal experiences for our customers as well as our colleagues.

HOW RETAIL NEXT GEN IS SHAPING MULBERRY:

- We've invested in tech to ensure we've adopted more sustainable ways of working and sharing information, whilst driving a 'self-service' approach to training.
- We have a continuous and holistic approach to learning plans, to drive both commercial outlook and professional/personal development.
- We launched Mulberry in Conversation – an initiative to underpin the importance of a respectful, thoughtful, and tolerant culture, through open communication.



Social Equity

We have a long history of donating to local charities and organisations, and as the business grows, we are committed to continuing support of our charity partners. We categorise our charitable activity into 3 streams: Strategic Corporate Partnerships, Tactical Local Partnerships and Other/Reactive Partnerships. To help support this strategy, we have a dedicated Charity & Community Committee, made up of a team of Mulberry employees from various business areas who assist the business in increasing awareness of our charitable activities, arranging fundraising and liaising with our partners.

All employees are granted 2 days of paid volunteering time each year, known as “Community Hours.”

Since launching Community Hours, we have been proud to see our employees support Mulberry’s charitable partnerships alongside causes which are personal to them. Community Hours have been spent across various charity sectors, such as care work, environmental and conservation projects, administration of public fundraising events and outreach to vulnerable members of our communities. Alongside volunteering, employees have the option to donate monthly to a UK charity of their choice through Payroll Giving.



MULBERRY SOMERSET COMMUNITY FUND

In September 2021, we began a long-term partnership and set up a charitable fund with Somerset Community Foundation (SCF), an organisation that helps people in Somerset through funding local charities, groups and communities, inspiring giving and philanthropy.

The partnership is built to pair Mulberry with causes in the county needing financial support, aligning them to our Made to Last strategy and awarding grants from our fund. This new approach to Mulberry's philanthropic activity ensures that our donations are having a broad impact in supporting our local community in Somerset.



THREE PEAKS CHALLENGE

A key part of employee fundraising is our annual Three Peaks Challenge, taken on by a group of around 30 Mulberry employees who climb the highest mountains in Scotland (Ben Nevis), England (Scafell Pike) and Wales (Snowdon) across 3 days. In June 2021, the team raised £6,103 for the Mulberry Somerset Community Fund, which was allocated to supporting various mental health charities and organisations.

“ Somerset is often perceived as a rural idyll, but our beautiful countryside masks a lot of hidden need and inequality. Our young people have the odds stacked against them with some of the lowest levels of social mobility in the country and thousands of local families are increasingly struggling with food poverty. Many of our older people are isolated due to the lack of public transport in rural villages or health issues, and, like much of the country, the need for support for mental health issues is increasing every day.

In partnership with us at Somerset Community Foundation, the Mulberry Somerset Community Fund is helping to tackle some of the most pressing needs in our communities by investing in small, local charities who are changing lives every day. The Fund's first grants in 2021 supported a range of projects, including a community pantry, therapeutic gardening project, arts workshops for women and girls, and support for people who have experienced bereavement. We look forward to growing our impact together in the years to come.”

— Laura Blake, Development Director, Somerset Community Foundation.

Partner Spotlight

THE OLD STORES STUDIO, EVERCREECH

Mulberry was introduced to The Old Store Studio as they benefited from a donation from our Somerset Community Fund. The Old Stores Studio exists to support the community by improving wellbeing and nurturing good mental health through the provision of inclusive, high-quality art and craft sessions.



“ We started our Storytelling Squares project during the first lockdown by inviting people to make a square textile piece to represent that strange time we were all going through. Anything from drawing a scene or adding text on a piece of fabric, to appliqué, crochet, knitting, print or embroidery. People told us how taking part in the project anchored their thoughts and emotions; it really helped them during this unsettling and upsetting time.

One woman who took part had lost her husband to Covid and she used parts of his old shirts in her square. It was a really powerful piece. Feedback from participants of the group tell us the weekly sessions are vital to some. One lady told me that apart from when she takes the bins out, it's the only time that she leaves the house.

We encourage people to create visual pieces for all ages and abilities, which has an overwhelmingly positive impact on individual learners and local community. It allows people to connect. I think it's the simplicity and beauty of it more than anything.”

— Nik Slade, Studio Director, The Old Stores Studio

THE FELIX PROJECT

Mulberry began partnering with The Felix Project in 2020: a food redistribution charity, set up to tackle food waste and hunger in London. The Felix Project rescue surplus food from various industries including Retail and Hospitality, which would otherwise go to waste. This is then sorted and distributed amongst charities, schools and holiday programmes, in order to reach the most vulnerable people who may not be able to afford to have a regular meal.

Around 3 million tonnes of food waste is generated in the UK alone each year.

We have raised £44,213
so far for The Felix Project,
through our customer-facing
festive campaigns and internal
employee fundraising.
This equates to providing
269,699 meals.

“ Mulberry is an incredibly innovative, sustainable, and forward-thinking brand that we at The Felix Project feel lucky every day to work with. Our partnership over the last year has enabled The Felix Project to reach further into the realms of food poverty than we have in previous years. The ongoing creativity, support and partnership built with the unwavering support of the sustainability team allows us to continue paving a way to a London where no one goes hungry. I can't wait to see what 2022 and beyond has in store for the work between Mulberry and The Felix Project. ”

— Charlotte Hill, CEO, The Felix Project



Next Steps



Regenerative Sourcing

- To source all leather from environmentally accredited sources. We have one tannery partner who is yet to undertake an audit to measure their environmental behaviours. Due to Covid-19 delays and travel restrictions, their audit has been rearranged several times. Currently, it's booked to take place in Summer 2022.
- To continue to trial innovative and alternative materials. We regularly test and trial material innovations and have successfully implemented new fabrics into our ranges, growing the mix of non-leather products available. Now we're on the look out for materials with lower environmental footprints as we head towards Net Zero 2035.
- To carry out Life Cycle Assessments of our Hero products. In the spirit of being guided by science, we are undertaking full Life Cycle Assessments of our hero products. Having LCAs for our most popular products will help us to better understand where we can have the largest impact across our product range and guide us in our decision making when developing each season, with the aim of reducing our overall product carbon footprint.

Net Zero Manufacturing

- To increase our UK capacity, aligned with sustainable growth. We know that to grow as a business, we need to invest in increasing the capacity of our UK factories. We also know that we need to do this in a sustainable way. We are investigating all the ways we can lower the impact of manufacturing growth – from solar panels to rainwater harvesting – to keep us on our carbon reduction pathway.
- To improve traceability of our leather supply chain. We already partner with some very progressive tanneries, who have helped us achieve farm-level traceability. We're looking to share our learnings with the tanneries who operate more traditionally and achieve greater visibility in the greyer areas of our leather supply chain.
- To gain better visibility of our finished goods supply chain. We have mapped our Tier 1 and Tier 2 suppliers and will continue to work with them to push further upstream. The more visibility we have, the more actual data we can collect towards our Net Zero goal.

Product Circularity

- To continue to expand the Lifetime Service Centre. We will grow the capacity of our Lifetime Service Centre, with the aim of increasing the amount of product we can offer to the Mulberry Exchange, as well as maintaining our repair and restoration services for customers.
- To increase the percentage of waste being recycled from our own operated sites. Although we work with Zero Waste to Landfill providers in the UK, we recognise that we can do more to increase the percentage of waste which is recycled. We are looking to enhance our data visibility across all sites and improve the recycling rate.

Inclusive Communities

- To continue to foster an open dialogue with our employees through our Diversity & Inclusion committee and future employee surveys. It's important for us to nurture Mulberry's inclusive culture, and ensure we are a representative employer.
- To increase the percentage of suppliers paying a Global Living Wage. As a part of our responsibility as a Living Wage Employer in the UK, we have committed to encourage all suppliers to pay a Living Wage, relative to where they are in the world.

Explore our Responsibility page(s)

<https://www.mulberry.com/us/madetolast/responsibility>

Contact us:

sustainability@mulberry.com

