

**SUPERDRY®**

**BETTER CHOICES  
BETTER FUTURE**









**DELIVERING TRANSPARENT  
AND ACCOUNTABLE  
INFORMATION, THIS REPORT  
SHARES EVERYTHING WE  
HAVE ACHIEVED IN FY22,  
AND PROVIDES INSIGHT INTO  
OUR FUTURE AMBITIONS  
AND OBJECTIVES.**

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We share information on our sustainability journey through multiple channels, complementing this report.

This year, we launched our new dedicated sustainability hub on our ecommerce site, linking our sustainably sourced product to our initiatives, refreshing and updating content for each season. [superdry.com/sustainability](https://superdry.com/sustainability)

The sustainability pages on our Group corporate website share further detail on our sustainability initiatives, as well as copies of relevant policies: [corporate.superdry.com/sustainability](https://corporate.superdry.com/sustainability)

Our FY22 Annual Report shares progress for all sustainability KPIs in our strategic report, alongside statutory sustainability disclosures. [corporate.superdry.com/investors/annual-reports/](https://corporate.superdry.com/investors/annual-reports/)

# BECOMING THE #1 SUSTAINABLE STYLE DESTINATION



Welcome to Superdry's 2022 Sustainability Report, our second progress check on our journey to becoming the world's #1 sustainable style destination.

I am extremely proud of the significant progress, both in our short-term targets, and in establishing the bedrock for our long-term aspiration to be the most sustainable listed global fashion brand.

'Lead through Sustainability' remains firmly in place as one of Superdry's three core strategic objectives. This year we have extended our 'Lead Positive Change' initiative to 'Communicate our Journey with Integrity'.

We recognise that movements in the market are driving greater accountability in reporting. By adopting the Green Claims Code guidelines, as we have done, we aim to share accurate and educational information with our consumers – who are simply looking to do the right thing.

**Better Choices Better Future** is our first consumer-facing campaign in which sustainability messaging takes the lead, and we are simultaneously also launching our new consumer-facing sustainability hub on our .com channels – underpinning any claims we make with further transparent information.

I can see how the wider impacts of good decisions are supporting our strategic objectives, with benefits felt across the brand. I would like to thank all colleagues in the Group for their efforts over the past year in embedding sustainability through all functions – spearheaded by our sustainability team and Warrior network.

I remain extremely excited about what we are achieving in our market-leading position on organic cotton, having successfully invested in supporting 7,508 farmers this year alone, harvesting enough cotton to produce a third of our organic cotton footprint. A significant step in our journey to our 100% pure-cotton garments moving to organic by 2025.

The uncertain energy market has further accelerated investment in energy-efficient technology, alongside extending our use of renewable energy to 91% of our own retail stores, offices and distribution centres this year, we remain on-track to hit our 100% renewable energy target by 2025.

Sustainability is also proving to be the linchpin in building strong partnerships between colleagues, and with external valued partners – including Oxfam, the Vegan Society and Forest Green Rovers football club this year alone – and of course with our suppliers. Building symbiotic relationships with like-minded individuals and organisations is critical in our ambition to lead in this area. We also know that environmental, social and governance (ESG) considerations are driving decisions for investors, customers and wider stakeholders to move towards companies placing ESG principles at the heart of their businesses.

For Superdry, this simply means doing the right thing, sharing what we are doing, and educating everyone about our journey along the way.

**Julian Dunkerton**  
Founder and Chief Executive Officer

**OUR SUSTAINABILITY FRAMEWORK**

We have an obligation to make better choices, and our strategic framework is in place to guide us to becoming the #1 sustainable style destination.

‘Lead through Sustainability’ means doing what’s right for our consumers, our products, our colleagues, our partners and, most importantly, our planet.

The commitment and passion of everyone at Superdry enables us to achieve our ambition, and is why we have made great strides since publishing our targets in FY21.

Our initiatives are built on lowering the impact of our products and our operations, supporting the fight against climate change, and reducing our water footprint and eliminating our reliance on hazardous chemicals.

Underpinning all activities, is our commitment to communicate our journey with integrity.



Our sustainability strategy continues to be built on three key pillars linked to seven clear KPIs.

**USE LOW IMPACT MATERIALS** is our commitment to ensure materials used to make our products demonstrate balanced improvement in their carbon, water, and chemical impacts.

KPI	FY21	FY22	FY22 Target	FY25
1 % Total garment volume using organic, low-impact or recycled materials	33%	47%	39%	65%
2 # Cotton farmers converting to organic practices	1,824	7,508	6,500	20,000
3 % Total garment volume with mapped water footprint (FY19 to FY22)	-	71%	-	100%

**MOVE TO NET ZERO** continues to evolve alongside industry best practice. We remain committed to supporting the Paris Agreement, playing an active role to limit the global temperature rise to 1.5°C.

KPI	Baseline - FY17	FY21	FY22	FY22 Target	FY25
4 % Packaging that is recyclable, reusable, or compostable	75%	93%	98%	95%	100%
5 % Renewable energy used in stores, offices, and distribution partner sites	55%	84%	91%	90%	100%
6 Scope 1, 2 and partial Scope 3 emissions (TCO <sub>2</sub> e/£m -% change against baseline year)*	-	-41%	-59%	-45%	-65%

**COMMUNICATE OUR JOURNEY WITH INTEGRITY** represents the next phase in our strategy, in line with movements in the market to drive greater accountability in reporting.

KPI	FY21	FY22	FY22 Target	FY25
7 # Workers in our third-party supply chain actively engaged in our Respect and Dignity training programme	13%	22%	18%	50%

\* The reported improvement covers our own and third party logistics operations in FY22 (Scopes 1, 2 and categories 3, 4, 6, 8 and 14 in our Scope 3 report). This KPI will be updated to reflect indirect, supply chain emissions included in our science based target in FY23.

Our Sustainability Warriors continue to be our internal activists – reporting back to our sustainability team on a monthly basis, consulting on our strategy and helping to identify opportunities for innovation. Our Global Sourcing and Sustainability Director reports on KPI progress on a quarterly basis to our executive team.



# KEY FY22 HIGHLIGHTS

**7,508**  
farmers

enrolled in our  
organic cotton  
training programme

**Donated**

**65**  
million  
organic  
cotton seeds

to farmers enrolled  
in our organic cotton  
training programme

**91%**

of the energy used  
across our stores,  
offices and third-  
party distribution  
centres is renewable



**99%**

of our Spring Summer 22 swimwear collection made with recycled materials

Water footprint mapped for all garments containing cotton, equating to

**71%**

of garments bought since 2019

**61%**

of our retail and distribution network uses energy-saving lighting (LED) bulbs

**47%** of bought garments

contain organic, low-impact, or recycled materials, we are on track to reach 65% by 2025

**50.7 million**

recycled bottles used to produce our outerwear fill, recycled sweats and swimwear

**22%**

improvement in global energy efficiency in owned estate since FY17, and on track to reach 25% by 2025

Pre-loved clothing donation boxes launched across all UK and Republic of Ireland full price stores in partnership with Oxfam



**OXFAM**

**14%**

of our garments made using renewable electricity in third-party factories

**2.1%** of garments

are transported by air to our warehouse from our factories, a 61% reduction on FY21

**Completed our first full Scope 1, 2 and 3 carbon emissions report**

providing full disclosure of our impact on climate change

**Launch**

of our first dedicated sustainability consumer-facing website to share more information on our sustainability journey

**BETTER CHOICES  
BETTER FUTURE**

**15,000 PEOPLE**

working in our factories participating in our Respect and Dignity programme

Improved our CDP grade from

**B TO A-**



# OUR FY23 COMMITMENTS

**OVER  
12,000**

farmers enrolled in our organic cotton training programme

**Donate over  
80  
million organic  
cotton seeds**

to farmers enrolled in our organic cotton training programme

**>53%**

garments will move to organic, low-impact or recycled materials, with a target of

**65%**

by 2025



**New polybag  
launched  
containing  
100%  
recycled  
content, made  
using old  
polybag waste**

**100%**  
of our trainers  
and flip-flops will  
be registered with  
the Vegan Society

**Water  
footprint  
mapped**  
for 100% garments  
bought since 2019

**Airfreight will  
be capped at  
1%  
– against  
an industry  
average of 17%**

**PILOT  
green  
customer  
deliveries,**  
using zero-emission  
vehicles to deliver  
15% of UK online  
orders

All buttons on  
Superdry polos and  
shirts will contain  
recycled materials

**4 million  
buttons**



Science-based  
targets set with up to  
**50%**  
absolute reduction  
in Scope 1, 2 and 3  
emissions by 2030

**25%**  
of our garments  
will be made using  
renewable electricity  
in third party  
factories

**Carbon-  
negative fuel  
card scheme  
to be piloted**  
– the first in the UK to  
offset both employee  
commuting and  
personal mileage

**65%**  
of our retail and  
distribution estate  
will use energy-  
saving (LED)  
lightbulbs

**Our first  
dedicated  
sustainability  
consumer-  
facing  
campaign  
launched on  
all channels**

**BETTER CHOICES  
BETTER FUTURE**

**Launch  
of digital  
storytelling**  
through QR  
codes linked to  
our sustainability  
site and printed  
on swing tags

**25%**  
of people  
working in our  
Tier 1 factories will  
participate in our  
Respect and Dignity  
programme



# USE LOW IMPACT MATERIALS



Our vision is to produce clothing made solely from the low impact materials. We know it's the right thing to do, and that it will create a value chain of prosperous partnerships that will benefit both planet and the people on it.

All garments have a carbon, water, and chemical footprint. Our commitment is to ensure that our choice of materials demonstrates improvement in that footprint – prioritising sustainability alongside quality, price, and fairness.

**47%**

of garments bought contained organic, low impact or recycled materials.

That's 12.3 million garments with a quantified reduction in their carbon, water and/or chemical footprint

**7,508**

farmers trained in organic farming practices.

Eliminating harmful chemicals and reducing water consumption is helping to regenerate soils in over 16,700 acres of farmland

By sourcing organic and recycled cotton, we have saved up to

**7.5BN**

litres of water in FY22.

That's enough water to fill over 3,006 Olympic swimming pools



**Organic, in-conversion and recycled cotton**

From our Spring Summer 22 collection onwards, we have started to buy ‘cotton in-conversion’, cotton sourced from farmers who are growing cotton organically but are not yet certified to organic standards.

All pure cotton garments will contain organic, in-conversion or recycled cotton by 2025, representing a minimum of 65% of our cotton footprint.

In FY22, we converted 46% of all cotton garments bought, and we are on track to achieve our 2025 target.

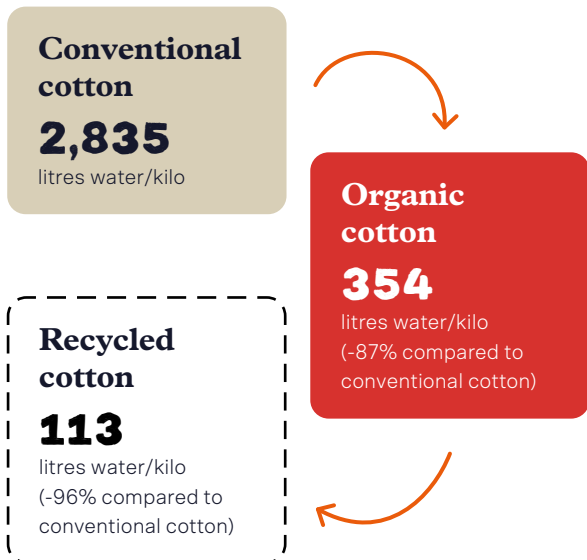
Cotton is the largest single raw material we use, featuring in over 75% of our total garment volume bought, and it is one of the most water intense crops on the planet.

As well as this switch saving water, we know that organically farmed soil sequesters more carbon than conventionally farmed soil. This capture of carbon helps to reduce organic cotton’s overall carbon footprint (-14%), contributing to our journey to net zero carbon emissions by 2040.

We plan to measure impacts to soils over this conversion period to further assess the impact of organic farming on carbon sequestration, water use and biodiversity.

We introduced recycled cotton in our Autumn Winter 21 ‘fully recycled’ sweat collection, and we intend to scale our recycled footprint into mainline collections in coming seasons.

**Reducing cotton’s water footprint**



**Cotton in conversion is future organic cotton**

Our ‘cotton in-conversion’ programme, launched in 2020, supports farmers on a three-year journey to organic certification, by providing training from local organic experts, supplying GMO-free seeds, and paying a guaranteed premium for their harvest.

As part of our journey to reach 20,000 farmers by 2025, we enrolled 7,508 farmers in FY22, across 211 villages in India, benefiting over 16,700 acres of land.

Building fully traceable supply chains, these farmers will supply certified organic cotton into our collections within two years, and while they convert we will continue to use their cotton, to support their incomes and to increase the share of organic cotton available. We recently visited some of these farmers to find out more about their journey.

**Feedback from our farmers**



**Tanki Bai Kutriya, 53**

Lead farmer, second year in-conversion to organic cotton through Remei/Symbiofarms Gulzara, Madhya Pradesh, India

“The training in how to make our own natural pesticides and bio-input fertiliser has been useful; it has saved my family money and has stopped us from buying harmful chemicals. I am excited for more.”

**Chatarsingh Raisingh and Bhagri Bai, 44 & 41**

Second year in-conversion to organic cotton through Remei/Symbiofarms – Gulzara, Madhya Pradesh, India

“We have seen our health improve since making the switch to organic farming, which has given us the extra confidence that we needed to continue.”



**Laxmi Vijaya Chikram and family**

First year in-conversion to organic cotton through Chetna – Mussalpahad, Adilabad, India

“I want at least one of my children to manage the farm this is important for our community, and important for the longevity of healthy soil and land.”



All data reported is gathered by independent assessors as part of the Organic Cotton Accelerator (OCA)’s Farmer programme. We have also worked with the University of Hull, whom we would like to thank for their guidance in reporting social metrics relevant to these projects.



**Recycled and low impact materials**

We converted 48% of garments containing conventional polyester, nylon, modal and viscose fibres to recycled and low-impact materials in FY22.

We remain on track to achieve 65% non-cotton garments converted to low-impact materials by 2025.

Modal and viscose low-impact alternatives can reduce carbon by up to 26% and water use by up to 30%. We use branded TENCEL® fibres (a trademark of Lenzing AG), sourced using certified wood pulp.

Recycled polyester and nylon. Conventional polyester and nylon are petroleum-based materials, and producing them has a high cost in energy and greenhouse gas.

Recycled polyester and nylon reduce carbon by up to 54% and water use by up to 30% compared to their conventional alternatives.

By converting 99% of our swim range, introducing recycled polyester into our cotton-blended sweat ranges, and by using recycled fill in all padded jackets from Autumn Winter 21 onwards, our products have helped to divert 50.7 million plastic bottles from landfill and oceans in FY22.

We have also started to introduce recycled content into our vegan collections, using up to 30% recycled pre-consumer polyurethane in over 60% of our vegan trainer collection in Spring Summer 22.

**Reselling, recycling and reusing our waste**

We are committed to recycling or reusing over 2,000 tonnes of fabric waste per year by 2025. This year, we have achieved 455 tonnes of fabric, 23% of our target.



**Cut waste**

In FY22, our key jersey factories sent over 360 tonnes of cut (fabric scrap) waste, and second quality garments to local recycling partners in Turkey and India.

By mechanically recycling this fabric waste, and blending it with recycled polyester, we created our first fully recycled fabric, launching it in Autumn Winter 21, in our first fully recycled hoodie and t-shirt collection.

**Overstock**

Partnering with a specialist UK wash house we re-processed 5,794 unsold hoodies and sweaters, dyeing them using lower impact processes giving them a new lease of life. Each garment is unique and is on sale in our Oxford Street store – representing an environmentally and financially lower impact route for unsold stock.

**Oxfam**

In February 2022 we launched our partnership with Oxfam across our UK and Republic of Ireland (ROI) full-price owned retail estate. Within the first three months, customers donated one tonne of pre-loved garments via this route.

**Faulty returns**

No faulty products are sent to landfill by Superdry. Even though our faulty returns continue at a market-leading low rate, we have been working with our UK owned stores and distribution centres to train colleagues to identify fixable returns (eg small marks) and have provided them with 'care kits' to service these garments so they can be sold again.

In FY22 this scheme has re-processed 7,621 garments from faulty stock, generating over £370,000 in revenue through full price and staff-shop sales.

We continue donate the balance of our faulty returns to Newlife (87 tonnes in the last year), a UK based charity who reprocess and resell them to fund equipment for disabled and terminally ill children.



## Water footprint

We are committed to measuring our full water footprint, with the ambition to deliver a 20% reduction per garment by 2025 and 40% by 2030. In FY22 we mapped 71% of our water footprint, using 2019 as our baseline year.

To understand water consumption per garment we used the Higg Index's Product Tool which supplies industry leading benchmarks covering the full garment lifecycle from raw material to processing, shipping, selling, use and end of life.

Results indicate a significant water saving in cotton product, driven primarily by our conversion to organic cotton which saves up to 87% water compared to conventional cotton.

Our total garment water footprint from the 71% mapped in FY22 equated to 18.9 billion litres, or an average of 901 litres per garment.

In FY23 we will map the footprint of all remaining garments using the Higg Index, as well as work with all key factories to ensure they have water reduction initiatives in place.

To avoid misinterpretation of the number, we will not publish the average water saving per garment until we have mapped our full water footprint. We are confident that, with current initiatives in place, we will achieve a minimum 20% saving by 2025, on the way to achieving our 2030 goal of 40%.

We will also be joining the Sustainable Apparel Coalition (SAC) to enable further collaboration in measuring the sustainability impacts of our products and supply chain.

“In FY22, by sourcing organic and recycled cotton, we have saved up to 7.5 billion litres of water. Enough water to fill over 3,006 Olympic swimming pools.”

## Chemical compliance update

We need to use chemicals to help produce our garments – from washing to dyeing the fabrics; however, we want to ensure these chemicals do no harm our planet.

Aligning with leading platforms, in FY21 we joined the **Apparel & Footwear International RSL Management (AFIRM)** working group and **Zero Discharge of Hazardous Chemicals (ZDHC)** programme (as a 'friend') to help us progress, collectively, along our roadmap to eliminate hazardous chemicals.

We have committed to ZDHC compliance by 2030; we are aiming for all Tier 1 suppliers to reach ZDHC Foundation Level by FY25, and all Tier 1 & 2 suppliers to reach ZDHC Progressive Level by 2030. Recognising the severe impacts of PVC, we have eliminated it from our products from Spring Summer 23.

Our top 25 suppliers are registered on the ZDHC portal and 'Supplier to Zero' programme to provide information about the chemicals they use to make our products. We are also working with all suppliers to map the full wash process across our supply chain.





# MOVE TO NET ZERO



We remain committed to supporting the Paris Agreement, by playing an active role to limit global temperature rise to 1.5°C.

To achieve this, we know that we need to use more efficient technology and renewable energy. We need to make our garments using the lowest impact materials and change how our products are distributed.

Aligning with science based targets (SBTs), our approach continues to evolve. Our goal is to achieve zero net carbon emissions across our own business and global logistics by 2030, and across our entire supply chain by 2040.

## FIRST

complete carbon emissions report published.

This will enable us to set science based targets (SBTs) in FY23.

Successfully reducing our airfreight to just

## 2.1%

of all inbound goods moved in FY22. Representing a

## 61%

year on year reduction.

## 14%

of our garments are made with renewable electricity.

We have agreements in place to increase this to

## 50%

by 2025.



### Zero-impact packaging

Superdry is committed to converting all packaging to recyclable, reusable, or compostable alternatives by 2025.

We are also committed to ensuring all plastic packaging contains a minimum 70% recycled content.

If packaging is required to help our products arrive in pristine condition, we minimise the amount used and select the lowest impact materials.

We have achieved 98% of our target in FY22, and will continue to **remove**, **reduce** and **convert** the remaining 2% by 2025.

Our priority is to **remove** packaging that we don't need.

→ This year we removed unnecessary cardboard linings from our inbound cartons.

**= 140 tonnes of cardboard removed annually**

→ We also removed the plastic hanger from our women's swimwear for sale in our retail outlets.

**= 1 tonne of polystyrene removed annually**

Our focus then shifts to **reducing** the amount of packaging used, where it is needed but is potentially inefficient in its current form.

→ We have reduced the weight of our FSC paper ecommerce bag by 25%.

**= 35 tonnes of paper reduced annually**

Finally, where packaging is essential, notably plastic, we **convert** it to lower impact alternatives that are circular, closed loop and easily recyclable. This particularly applies to plastic packaging.

→ We have removed hangers altogether from swimwear sold through our own retail outlets. Wholesale customers still rely on them for display purposes, so we have converted the old unrecyclable plastic hanger to a lower impact, recyclable paper hanger.

**= 1 tonne of plastic converted annually**

In FY23 we plan to expand our trial of paper tape on all cartons, converting more than 14 tonnes of unrecyclable plastic tape and moving +0.5% closer to our 100% target.

We will also convert our plastic hangtag locks to 100% recycled plastic in order to reduce the impact of plastic where it's still necessary.

We will continue to look for any remaining inefficiencies in our packaging, while ensuring we can continue to deliver high-quality garments to our customers.



### Closed-loop polybags

Polybags help our products arrive in pristine condition. They represent 6% of our total packaging footprint, and are our largest single consumer of plastic packaging, requiring 242 tonnes per year to produce.

Polybags were traditionally made using hard-to-recycle virgin plastic. However, in 2020 we partnered with specialist manufacturer, Mainetti, to help us create new bags from old.

Removing polybags from our garments destined for owned retail stores in the UK, our warehouse sends them onto Mainetti's site in Wrexham. Mainetti then reprocess them into recycled pellets and manufacture them into bags containing recycled content, eliminating any risk of them ending up in landfill or incineration.

**“To date, we have increased the recycled content in this bag from 30% to 70%, while successfully maintaining the same weight.”**

Most other bags in use containing 100% recycled content are at least 15% heavier, due to higher levels of impurities linked to this content. We hope through our work with Mainetti to overcome this issue, and develop a 100% recycled polybag which is no heavier than a traditional one.



### Net zero carbon

Superdry will move to net zero carbon emissions in our own- and third-party logistics operations by 2030, and in our supply chain by 2040. Net zero emissions means we will have no net impact on climate change from our carbon emissions, through drastic reductions in our carbon footprint and by balancing the remainder through carbon removals.

In FY22, we embarked on several ambitious decarbonisation projects in our business and supply chain, while also focusing on improving our understanding of the true extent of our carbon footprint by calculating our full Scope 3 (indirect) emissions inventory.

This represents our first step in setting a science based target (SBT), approved by the **Science Based Targets initiative (SBTi)**, which we will complete in FY23.

Our full Scope 1, 2 and 3 inventory is provided in our **Annual Report**, shows that our Scope 3 (indirect) footprint represents 99.9% of our full FY22 carbon footprint.

### Our decarbonisation journey

Three categories represent 93% of our carbon emissions footprint, so these are our key focus categories for decarbonisation-alongside our direct emissions associated with our stores and offices.

### Our carbon footprint – top emitters



+

**0.1%**

0.2 KtCO<sub>2</sub>e, direct carbon emissions from stores and offices (market based)

### How our products are made

Our largest source of emissions, and therefore our largest opportunity, comes from how we make our product. We continue to decarbonise this category, with significant progress made across multiple targets this year:

- 65% of our garments will be converted to organic, low-impact, or recycled materials by 2025. All cotton will be organic or recycled by 2030.
- 50% of our garments will be made using renewable electricity by 2025, and 100% by 2030.
- 50% of our garments will be made by factories with certified energy management systems by 2025, and 100% by 2030.
- 100% of our factories will use environmentally optimal boilers by 2030, with all coal boilers in Tier 1 suppliers phased out in FY23, and in ancillary units (Tier 2) by 2030.

As we build our understanding of our impacts, using the Higg Index's Material Sustainability Index (MSI), we are starting to track the effect of selecting the low-impact materials on our decarbonisation pathway and building this target into our SBT in FY23.

Around 10% of all our emissions come from our Tier 1 factories. Of that amount, electricity consumption from these factories accounts for 2-3% of our total emissions, with the balance (7-8%) coming from heating (eg boilers).

- 14% of our garments in FY22 were made using renewable electricity. Forward supplier agreements are in place to achieve our 2025 target of 50%.
- We remain on track with our plan to extend certified energy savings through our supply chain. This year we increased the number of our factories certified to ISO50001 to 22, covering 47% of our production. The average annual energy saving tracked per factory is 15%.
- In FY22 we started tracking which factories use coal fired boilers. We only identified one factory where this is the case and we are working with them to remove this in FY23.

To date, 19 out of 95 factories in our supply chain have installed solar panels, with a further eight factories electing to buy renewable electricity on the market.





▲ Superdry knitwear factory, Nesan Tekstil, Duzce, Turkey.

### How our products are used

How our customers use their garments to maintain them and keep them in circulation for as long as possible has a significant impact. This category is estimated, using data from a **European Commission Joint Research Centre study**.

Our emissions from this category are slightly higher than industry peers. However, Superdry is proud that we produce quality garments that are crafted to last, and we want our garments to be loved and worn many times by our consumers. This results in increased levels of washing and drying over the lifetime of the garment.

We are undertaking some durability studies to help understand how long-lasting our products are. This might possibly increase our emissions in this category, but ultimately reduce a customer's own carbon footprint as they need to purchase fewer clothes in the first place, saving much more carbon than that associated with washing and maintaining their garments.

### How we move our products

In FY22, we continued to take steps to reduce transport emissions further.

We continue to use barges to move many of our shipments that arrive at Antwerp (Belgium) to our warehouse in Grobbendonk (known as 'The Baron'). In FY22, 42% of these containers were moved by barge, reducing the carbon emissions from that leg of the journey by 56%.

**We also successfully reduced airfreight to just 2.1% of all inbound freight in FY22. This represents a 61% year-on-year saving and is 88% lower than the reported industry average of 17%.**

This has saved over 23 kTCO<sub>2</sub>e per year: about 30% of our total footprint for this category since 2017.

In FY23 we plan to further reduce our use of airfreight to 1% of all inbound freight, while also continuing to explore lower carbon routes to move our product from source to sale. We're also trialling a "green final mile" scheme which will see 15% of UK standard ecommerce orders delivered by a zero-emissions vehicle ensuring carbon neutral delivery from our distribution centre (DC) to their door.

### Renewable and efficient stores, offices and third-party distribution centres

By 2025, 100% of the energy we use across our stores, offices, and third-party DCs will be from renewable sources. In FY22, we achieved 91% renewable energy.

Our global stores and offices have used 100% renewable electricity since 2017, and when combined with our remaining purchased heating and cooling and small amounts of gas, our stores are using 98% renewable energy.

This year we moved our final two DCs ('The Eagle', USA and 'The Dragon', China) over to a 100% renewable electricity supply, reducing emissions from these sites by 106 tCO<sub>2</sub>e pa (1% of our footprint in this category). Our UK DC ('The Duke') also switched to a 100% renewable gas supply this year, initiating what will be a transition for all sites by 2025.

In total, six out of our 13 upstream DCs and consolidation centres (CCs) globally have installed onsite solar panels, which generate an average of 28% of their own electricity needs each year. Having now switched all DCs over to renewable electricity, this year we ran workshops with all CC partners and agreed their roadmap to switch to 100% renewable electricity by the end of FY23.

In FY22, 66% of the total energy (electricity, gas and diesel) used in our DCs & CCs was from renewable sources, which will increase to 70% from the start of FY23.

### LED Lightbulbs

We know that the most efficient unit of energy is one not used. LED lightbulbs use 70% less energy than standard bulbs.

We have now completed the first year of our three-year plan to install LED bulbs in all owned retail stores, offices and third-party DCs by FY24, saving around 4.9 million kWh per year: enough electricity to power over 330 UK homes per year.

In FY22 we installed LED lightbulbs in:

- 16 owned stores, with 61% of stores across our estate
- 11 out of 13 DC and CCs, with the remaining to be switched over by the end of FY24.

Across our DC network we have seen an average 11% reduction in electricity consumption between FY20 and FY22 due to the installation of LED lightbulbs.



# COMMUNICATING OUR JOURNEY WITH INTEGRITY



This is the next phase in our strategy. Significant foundational work was completed in FY22 to kick off our first consumer facing 'Better Choices Better Future' campaign.

We continue to work with respected external partners to independently validate our progress, while also making positive shifts in our supply base, with transparent and accountable reporting.

Launch of Superdry's sustainability education programme.

We delivered our first in-person training reaching

**100%**

of our store managers, store, and customer service colleagues, sharing our journey on sustainability.

Increased reach of our Respect and Dignity programme to over

**15,000**

workers, or 65% of the people in our Tier 1 supply chain in India, and 22% globally.

This programme promotes equal voices, equal treatment and enhanced worker wellbeing in all Superdry factories.

Improved our CDP grade, up from

**B TO A-**

We demonstrated improvement in our grade for the third year running.



## **ROADMAP TO COMMUNICATING WITH INTEGRITY**

### **FY25**

- Commitment to reach the top 15% of brands within the Fashion Revolution Transparency Index.
- Commitment to achieve an A grade in the CDP performance index.

### **FY23-4**

- Our first dedicated sustainability consumer-facing campaign, Better Choices Better Future.
- Launch of franchise and wholesale sustainability education programme.
- Publication of our approved third-party factory list.
- Validated science-based target published.

### **FY21**

- First sustainability report published.
- Sustainability corporate website launched.
- Improved CDP grade from C to B.

### **FY20**

- Recruited over 50 sustainability Warriors across Superdry to lead positive change.
- Accelerated our organic cotton targets to 2030 and made a public commitment to become the most sustainable global listed fashion brand by 2030.
- Commitment to move to net zero in our own operations by 2030.

### **FY22**

- Launch of Superdry's sustainability education programme, training 100% of our retail and customer service colleagues, helping them to share information and educate consumers on our sustainability journey, fostering knowledgeable engagement on core issues.
- Completed Advertising Standards Agency's (ASA) Green Claims Code Guidelines anti-greenwashing workshops covering all members of our marketing teams.
- Sustainability KPIs included in senior management bonus scheme.
- Full Scope 3 carbon emissions report published. Public commitment to set certified science-based targets.
- Publication of average wage benchmark covering 100% of Tier 1 factories in all supply territories.
- Improved CDP grade from B to A-.

### **FY19**

- Established sustainability strategy.
- Committed to move to 100% organic cotton.
- Committed to move to 100% recycled, reusable, or compostable packaging by 2025.

**The foundation: Fair and safe conditions in our supply chain.**

Our garments, footwear, and accessories are produced by 95 Tier 1 third-party main production sites and 161 Tier 2 and 3 specialist process, fabric and trims sites in India, Sri Lanka, Turkey, Bulgaria, China, Cambodia, and Vietnam.

We keep close track of these factories, to ensure human rights are upheld. We apply strict approval processes to ensure we only work with factories that provide fair and safe conditions in line with the **Superdry Code of Practice**, and we carry out ongoing monitoring to ensure these conditions are maintained.

In FY22, 91% of our Tier 1 factories were ranked in line with or above the highest ratings of social and environmental compliance – yellow, green or blue grade – an 11 percentage point increase since last year.

This improvement is a result of our Intensive Care Programme (ICP), launched in 2020, designed to provide additional support to the factories who need it. Typical issues found in these factories have included excessive working hours, non-compliant payroll systems and weak recruitment processes.

The programme involves targets and milestones agreed between the supplier, Superdry leadership teams and local experts. Additional training is then delivered by third party specialists, with regular visits to monitor improvement.

Eight (73%) factories enrolled in the programme within the last 12 months have succeeded in meeting agreed targets, graduating to Superdry’s highest ratings of social and environmental compliance. Three factories (27%) failed to make the required progress, due either to poor engagement by management or to poor progress overall. These factories have been exited or are in the process of exit from our approved factory list in line with our **Responsible Exit** process.

As part of our roadmap in communicating with integrity, in FY22 we released our **Average Wage Benchmark**, covering all average wage levels paid by Superdry suppliers.

**Social protection**

While factories in almost all our sourcing countries provide social insurance as standard, social insurance provision is not widely adopted in China. Barriers to enrolment include high levels of domestic migration and general mistrust about genuine access to the funds when needed.

We know that social insurance is critical to workers’ long-term financial security and access to health care in countries where this is not provided by the state.

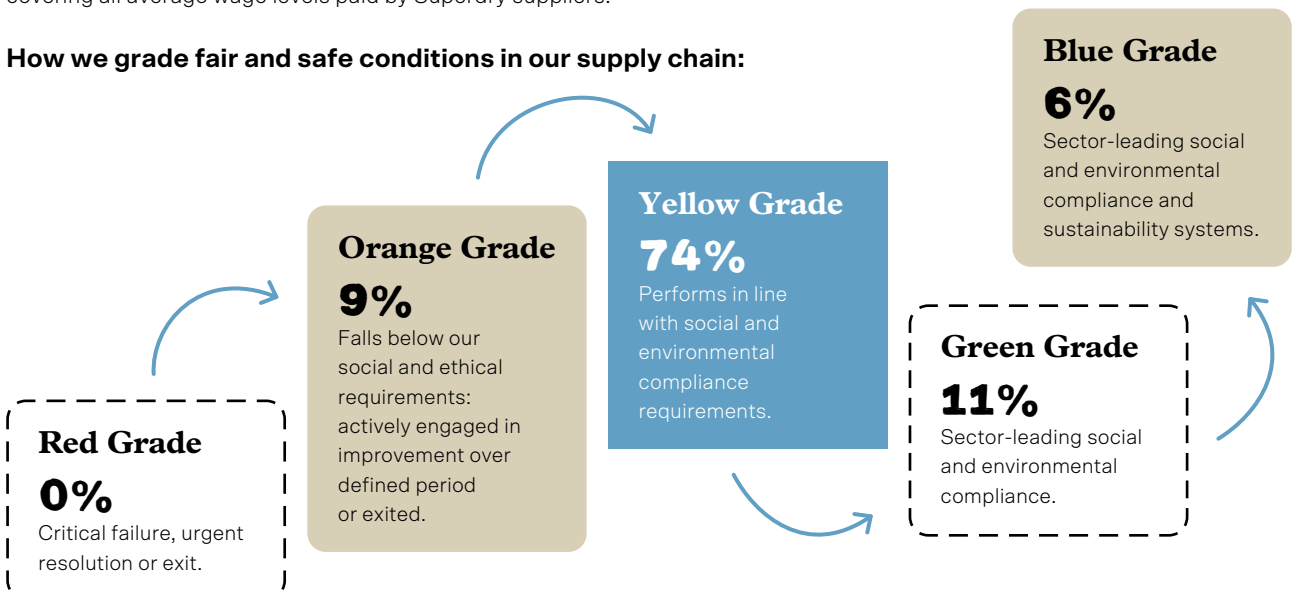
In 2020, we launched detailed roadmaps with our Chinese factories to increase their coverage to at least 70% (our minimum threshold) in five key areas of social protection – pension, accident, unemployment, maternity and medical insurance.

Working with local experts, we have trained factory management to build trust in the system with their workforces, gain commitment for enrolment, and ultimately achieve their roadmaps.

“I feel comfortable to achieve retirement security after enrolling in the social security insurance scheme. I can have enough pension fund to maintain the same quality of life after retirement.”

We have seen an uplift in average coverage to 74.8% across our China factory base, a 30% increase since 2020. We will continue this work with factories to ensure that 100% of workers benefit from social insurance by 2025.

**How we grade fair and safe conditions in our supply chain:**







**Respect: Equal treatment, equal voices**

We rely on over 67,000 workers across the world to make our products in our Tier 1 factories, and 62% of these workers are women. We know that the countries we produce in have differing cultural norms and levels of gender equality and inclusion.

Our Respect and Dignity training programme is our commitment to go beyond basic supplier compliance. It seeks to achieve equal voices and equal treatment, and enhanced worker wellbeing.

The programme aligns with the UN Women’s Empowerment Principles and involves training and awareness-raising with management, supervisors and workers in five key areas: fair and transparent recruitment, equality in pay and performance, maternity rights, health and safety measures which work for everyone, and effective grievance mechanisms.

Our vision is for all workers, wherever they are, to have access to workplaces that treat them with respect, dignity and to have equal opportunities to raise their voices through effective worker committees and strong grievance mechanisms.

Each factory is different, and each project is tested and tailored to ensure tangible, sustainable impacts for workers. As we include new factories each year, we continue to work with existing sites to ensure that improvements are sustained, and new opportunities realised.

So far, globally, we have reached over 15,000 workers, representing 22% of the people in our Tier 1 supply chain and 29% of our product volume.

We have focused on establishing the programme sustainably in India initially, reaching 65% of workers in this territory and equating to 93% of our India product volume.

We are now piloting Respect and Dignity with our Turkey suppliers before we expand to other territories. We are passionate about embedding the programme in the best way for each individual factory and its workers.

**Case study: Elegant Overseas**

Elegant Overseas joined Superdry’s Respect and Dignity programme in October 2020.

Based in Gurgaon, India, Elegant produces Superdry’s organic t-shirts and polos, employing over 1,300 workers, 10% of whom are women, and 90% men. Through Respect and Dignity, Elegant aims to raise and sustain awareness of gender equality throughout the factory – with hopes of wider impacts within homes and communities.

To do this, with the support of local expert trainers, Swasti, they formed worker champion groups, training 12 people throughout the factory on gender-related issues, problem-solving and communication. This group was equipped to take the gender equality agenda forward and run education and awareness sessions for their peers.

A major factor in strengthening the position of workers is fair representation through effective worker committees. The worker champions also sit on each of the factory’s various worker committees to ensure that someone with enhanced knowledge of gender-related issues always has a seat at the table and maintain the champions’ visibility, to enable workers to reach out to them.

Since establishing the worker champions, Elegant has invested in monthly capacity-building sessions, conducted by an independent expert, for their sexual harassment prevention committee.

This ongoing commitment has created an environment where gender equality work is owned by workers and management (rather than being driven externally, by a brand or an NGO) and has resulted in a shift in knowledge and confidence levels in speaking about gender throughout the factory.

“After attending this programme, I got confidence and started thinking how to make my daughter powerful and strong. I got her to join a lab technician course and now she is in a good job.”



**Meera,**  
Stitching Operator

## SUSTAINABLE DEVELOPMENT GOALS



Key Performance		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
#	Indicator (KPI)																	
1	Sustainably Sourced volume mix																	
2	Cotton in conversion farmer training	●		●			●		●				●			●		●
3	Mapped water footprint						●						●					●
4	Packaging												●		●			●
5	Renewable energy							●				●		●				●
6	Carbon Emissions Reduction							●				●		●				●
7	Respect and Dignity	●				●		●	●	●	●		●					●

## OUR PARTNERS

We are grateful to the following partners who supported us through FY22 in delivering our objectives.

**BRITISH RETAIL CONSORTIUM (BRC) CLIMATE ROADMAP – Proud supporter:** Committed to working with other retailers, their suppliers, government, and other stakeholders, and to supporting customers to collectively deliver the industry’s net zero ambition.

**ETHICAL TRADING INITIATIVE (ETI) – Member:** A leading alliance of companies, trade unions and NGOs that promotes respect for workers’ rights around the globe.

**NEW PLASTICS ECONOMY GLOBAL COMMITMENT (NPEGC) – Proud signatory:** This initiative has been rallying businesses and governments behind a common vision of a circular economy for plastic.

**ORGANIC COTTON ACCELERATOR (OCA) – Affiliate member:** The OCA unites the global organic cotton sector. From field to fibre to fashion, OCA enables measurable improvements to farmers’ livelihoods and local communities, creating the conditions for change to secure the future of organic cotton.

**OXFAM – Partner:** Superdry has partnered with Oxfam to offer a ‘Give Back’ scheme across all full-price UK and Republic of Ireland stores, in order to collect and extend the life of clothes by reuse, resale or recycling.

**SCIENCE BASED TARGETS INITIATIVE – Committed signatory:** Superdry has responded to the SBTi’s urgent call for corporate climate action. Science-based targets provide a clearly defined pathway for companies to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change.

**THE HIGG INDEX – Customer:** We are using the Higg’s suite of tools for the standardised measurement of value chain sustainability, which is central to the Sustainable Apparel Coalition’s mission to transform businesses for exponential impact.

**THE VEGAN SOCIETY – Corporate Affiliate:** The Vegan Society created the word ‘vegan’ in 1944. The original vegan organisation, they established their international Vegan Trademark in 1990 to improve product labelling.

**UNITED NATIONS FASHION INDUSTRY CHARTER FOR CLIMATE ACTION – Proud signatory:** The Fashion for Global Climate Action initiative calls on the fashion industry to acknowledge the contribution of the sector to climate change and our responsibility to strive towards climate neutrality for a safer planet.

**ZERO DISCHARGE OF HAZARDOUS CHEMICALS (ZDHC) – A friend:** Through collaborative engagement, standard setting, and implementation, Superdry will advance towards zero discharge of hazardous chemicals.







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