Our business model and value chain

Design:
We design beautiful luxury goods that are made to last. Our teams collaborate from the earliest stages of product development so that our design, strategy, marketing and responsibility functions are aligned and working with common goals in mind. Sustainability and doing the right thing for the environment are always a priority.

Source:
We source the finest materials available from our global network of suppliers. We think and act creatively in order to inspire and delight our customers while ensuring sustainability and environmental considerations are prioritised.

Make:
We make our products at Burberry-owned sites in the UK and Italy, as well as through a network of global suppliers. We strive to deliver products of the highest quality to our customers and invest in driving improvements throughout our supply chain. We are aware of the impact of our production processes on the environment and actively reduce, reuse and recycle the waste we create while investing in innovative solutions to help us move towards a circular business model.

Sell:
We sell Burberry products through our directly operated and franchised stores, as well as via wholesale partners and online. We use the product and distribution expertise of licensing partners for certain product categories, such as eyewear and beauty. To inspire and excite our existing and prospective customers, our creative, marketing and communications teams create distinctive and meaningful content as well as luxury experiences that speak to our brand heritage and purpose.

Internal Manufacturing

A commitment to quality and craftsmanship has been a hallmark of our brand since its inception. At our mill in Keighley, we weave gabardine, the fabric invented by Thomas Burberry, and we make our Heritage Trench Coats at our factory in Castleford, both located in Yorkshire. In Scandicci, Italy, our leather goods centre of excellence oversees all aspects of the manufacture of our products, from prototyping to the coordination of production.

External supply chain

We rely on a global network of raw material and finished good suppliers that support the production of our products and our general day-to-day business operations. The charts below provide an overview of our supply chain composition.

Suppliers by geographical area

<table>
<thead>
<tr>
<th>Geographical Area</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td>16%</td>
</tr>
<tr>
<td>UK</td>
<td>16%</td>
</tr>
<tr>
<td>Europe (excl. IT and UK)</td>
<td>64%</td>
</tr>
<tr>
<td>Asia</td>
<td>4%</td>
</tr>
</tbody>
</table>

Suppliers by type

<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finished goods vendors</td>
<td>18%</td>
</tr>
<tr>
<td>Finished goods manufacturers</td>
<td>30%</td>
</tr>
<tr>
<td>Raw material suppliers</td>
<td>52%</td>
</tr>
</tbody>
</table>
Sourcing geographies for core products by value.

Rainwear
- UK: 54%
- Italy: 12%
- Rest of Europe (excl. IT and UK): 26%
- Asia: 8%

Cashmere scarves
- UK: 70%
- Italy: 30%

Leather accessories
- Italy: 89%
- Europe (excl. IT and UK): 11%

Source: FY 2021/22 Supply Chain Data