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# NOTICE OF ANNUAL GENERAL MEETING 2020

# BURBERRY

## LONDON ENGLAND

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO WHAT ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN FINANCIAL ADVICE FROM A STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT PROFESSIONAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000.

IF YOU HAVE SOLD OR OTHERWISE TRANSFERRED ALL OF YOUR SHARES IN BURBERRY GROUP PLC, PLEASE FORWARD THIS DOCUMENT, TOGETHER WITH THE ACCOMPANYING DOCUMENTS, AS SOON AS POSSIBLE TO THE PERSON WHO ARRANGED THE SALE OR TRANSFER SO THEY CAN PASS THESE DOCUMENTS TO THE PERSON WHO NOW HOLDS THE SHARES.

ADDITIONAL INFORMATION:

VENUE: Horseferry House, Horseferry Road,  
London, SW1P 2AW

DATE: 15 July 2020

TIME: 11:00am

CONTACT FOR QUERIES: Ask.Burberry-AGM2020@burberry.com

# LETTER FROM THE CHAIRMAN



## DEAR SHAREHOLDER

I am pleased to present the details of the Annual General Meeting (the AGM) of Burberry Group plc (the Company) which will be held on Wednesday, 15 July 2020 at 11:00am at Horseferry House, Horseferry Road, London, SW1P 2AW. The formal Notice of the AGM (the Notice) and the resolutions to be proposed at the AGM are set out on pages 4 to 5 of this document.

Included in the business of the AGM are resolutions to approve the Directors' Remuneration Policy and a new Burberry Share Plan 2020 as well as to confirm the appointment of Ernst & Young LLP (EY) as the Company's new external auditor following completion of the audit tender undertaken in FY 2018/19.

## COVID-19 INFORMATION

The Board has considered how best to deal with the impact of the COVID-19 pandemic in relation to our AGM arrangements. At the time of the publication of this Notice, the UK Government has restricted public gatherings and non-essential travel, save in certain limited circumstances. In these unprecedented times, and in light of these measures, the Board believes it is in the best interests of the Company and its shareholders to hold the 2020 AGM as a closed meeting with a minimum number of shareholders present. The Company will ensure that the legal requirements to hold the meeting are satisfied through the attendance of a minimum number of Directors and/or employee shareholders and the format of the meeting will be purely functional. Shareholders will not be admitted to the meeting. We hope that you understand that we are taking these steps to protect our shareholders, employees, Directors and the wider community. Subject to UK Government guidelines, we intend to revert to our normal format of AGM in 2021.

As the situation is constantly evolving, it may be necessary to change the arrangements of this year's AGM after the date of this Notice. Any changes to the AGM will be communicated to shareholders before the meeting through our website at [www.burberryplc.com/AGM2020](http://www.burberryplc.com/AGM2020), and where appropriate, by an announcement via a Regulatory Information Service.

## DIRECTORS

In line with the UK Corporate Governance Code, all Directors will retire at the 2020 AGM and resolutions 4 to 13 inclusive propose the election or re-election of Directors as appropriate. Biographical details and details of their specific contribution to the success of the Company are given in this Notice on pages 12 to 14.

During the year we appointed two new Directors: Debra Lee who joined the Board on 1 October 2019, and Sam Fischer who joined on 1 November 2019. Debra is an experienced Non-Executive Director and former CEO of BET Networks, the world's leading African-American media network. She has a great understanding of the American consumer and culture. Sam has first-hand knowledge of leading iconic heritage premium brands gained through his role at Diageo plc. We believe both will be a huge asset to Burberry as we grow our business.

As announced on 22 May 2020, Jeremy Darroch will not stand for re-election as a Non-Executive Director of the Company at the AGM. We will miss Jeremy's wisdom and experience and thank him for his outstanding contribution to Burberry's development over the last six years and we wish him well for the future. Dame Carolyn McCall will become Senior Independent Director on 15 July 2020, subject to her re-election at the AGM.

#### REMUNERATION POLICY

Resolution 2 proposes the approval of the Directors' Remuneration Policy, which describes the Company's policy relating to the Directors' remuneration. We conducted an extensive engagement programme, engaging with shareholders controlling around 60% of our issued share capital and the three major proxy advisers: the Investment Association, ISS and Glass Lewis. More details regarding our proposed Directors' Remuneration Policy and the consultation process is available on pages 161 to 171 of the Company's Annual Report and Accounts.

#### SHARE PLAN

Resolution 16 proposes the adoption of a new discretionary share plan, the Burberry Share Plan 2020 (BSP). The BSP is intended to replace the current Burberry Group plc Executive Share Plan 2014 (ESP) as the Group's main long-term incentive plan. Further information can be found in the explanatory note for Resolution 16. The principal terms of the BSP are also summarised in the Appendix to this Notice.

#### QUESTIONS

Shareholders are encouraged to participate at the AGM by raising any questions in advance of the meeting by emailing our Company Secretary, Gemma Parsons, at Ask.Burberry-AGM2020@burberry.com by 11:00am on 13 July 2020. Answers to questions on key themes will be provided during a webcast at 12 noon on Wednesday, 15 July 2020. The webcast will be available to view on the Burberry Group plc website until Friday, 14 August 2020.

Further information on the AGM, including how to register for the shareholder webcast, obtain electronic copies of this Notice and a Form of Proxy can be found on our website at [www.burberryplc.com/AGM2020](http://www.burberryplc.com/AGM2020).

#### RECOMMENDATIONS

The Board believes that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders and will promote the long-term success of the Company. The Board unanimously recommends that you vote in favour of each of the resolutions to be put to the meeting, as members of the Board intend to do in respect of their own beneficial shareholdings. Explanatory notes on all the resolutions are set out on pages 6 to 11 of this Notice. All resolutions will be put to a poll and the voting results will be published via a Regulatory Information Service and on the Company's website as soon as possible following the AGM.

#### YOUR VOTE COUNTS

Although shareholders are not able to attend the meeting in person, shareholder participation remains important to us and we strongly encourage all shareholders to participate in the business of the meeting by submitting your votes on each of the resolutions in advance using one of the methods listed below.

ONLINE	Via our registrars' website, <a href="http://www.sharevote.co.uk">www.sharevote.co.uk</a>
CREST	Via the CREST electronic proxy appointment service (for CREST members)
POST OR EMAIL	By completing a Form of Proxy in favour of the Chairman of the Meeting and returning it to our registrars, Equiniti

All Forms of Proxy must be received by no later than 11:00am on Monday, 13 July 2020. Further information on voting is given on pages 6 to 11 of this Notice.

The results of the voting will be announced through a Regulatory Information Service and will be published on our website [www.burberryplc.com](http://www.burberryplc.com) on Wednesday, 15 July 2020 or as soon as reasonably practicable thereafter.

Yours sincerely

**GERRY MURPHY**  
Chairman

10 June 2020

# NOTICE OF MEETING 2020

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING (THE AGM) OF THE MEMBERS OF BURBERRY GROUP PLC (THE COMPANY) WILL BE HELD AT HORSEFERRY HOUSE, HORSEFERRY ROAD, LONDON, SW1P 2AW ON WEDNESDAY, 15 JULY 2020 AT 11:00AM TO CONSIDER AND IF THOUGHT APPROPRIATE, PASS THE RESOLUTIONS LISTED BELOW.

Resolutions 1 to 18 are ordinary resolutions.

Resolutions 19 to 21 are special resolutions.

## ORDINARY RESOLUTIONS

1. **To receive the Company's Annual Report and Accounts** for the year ended 28 March 2020.
2. **To approve the Directors' Remuneration Policy** set out on pages 161 to 171 of the Company's Annual Report and Accounts for the year ended 28 March 2020.
3. **To approve the Directors' Remuneration Report, other than the part containing the Directors' Remuneration Policy**, for the year ended 28 March 2020 as set out in the Company's Annual Report and Accounts.
4. **To re-elect Dr Gerry Murphy** as a Director of the Company.
5. **To re-elect Marco Gobbetti** as a Director of the Company.
6. **To re-elect Julie Brown** as a Director of the Company.
7. **To re-elect Fabiola Arredondo** as a Director of the Company.
8. **To elect Sam Fischer** as a Director of the Company.
9. **To re-elect Ron Frasch** as a Director of the Company.
10. **To re-elect Matthew Key** as a Director of the Company.
11. **To elect Debra Lee** as a Director of the Company.
12. **To re-elect Dame Carolyn McCall** as a Director of the Company.
13. **To re-elect Orna NíChionna** as a Director of the Company.
14. **To appoint Ernst & Young LLP** as auditor of the Company, to hold office from the conclusion of this meeting until the conclusion of the next AGM at which accounts are laid before the Company.

15. **To authorise the Audit Committee of the Company to determine the auditor's remuneration** for the year ended 27 March 2021.

16. **To resolve that:**

- i. the rules of the Burberry Share Plan 2020 (the BSP), the principal terms of which are summarised in the Appendix to this Notice, and a copy of which is produced to the meeting and initialled by the Chairman for the purposes of identification, be approved;
- ii. the Directors be authorised to adopt the BSP and do all acts and things necessary or desirable to operate the BSP; and
- iii. the Directors be authorised to establish such further plans for the benefit of employees outside the UK based on the BSP subject to such modifications as may be necessary or desirable to take account of tax legislation, exchange control or securities laws, provided that any ordinary shares of the Company made available under such further plans are treated as counting against any limits on individual participation or overall participation in the BSP.

17. **Political donations:** That in accordance with sections 366 and 367 of the Companies Act 2006 (the Act) the Company is, and all companies that are, at any time during the period for which this resolution has effect, subsidiaries of the Company as defined in the Act are, authorised in aggregate to:

- i. make political donations to political parties and/or independent electoral candidates not exceeding £10,000 in total;
- ii. make political donations to political organisations other than political parties not exceeding £10,000 in total; and
- iii. incur political expenditure not exceeding £10,000 in total,

(as such terms are defined in sections 363 to 365 of the Act) in each case during the period beginning with the date of passing this resolution until the conclusion of the Company's AGM to be held in 2021 (or, if earlier, 15 October 2021). In any event, the aggregate amount of political donations and political expenditure made or incurred under this authority shall not exceed £25,000.

18. **Directors' authority to allot shares:** That the Directors be hereby generally and unconditionally authorised to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £67,450 provided that this authority shall apply until the conclusion of the Company's AGM to be held in 2021 (or, if earlier, 15 October 2021), but in each case, so that the Company may make offers or enter into any agreements during the

relevant period which would, or might, require relevant securities to be allotted after the authority expires and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

**SPECIAL RESOLUTIONS**

**19. Directors' authority to disapply pre-emption rights:**

That subject to the passing of resolution 18, the Directors be hereby empowered to allot equity securities (within the meaning of the Act) for cash under the authority given by that resolution and/or to sell ordinary shares of 0.05p each in the capital of the Company (ordinary shares) held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, provided that the power shall be limited to:

- i. the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities to:
  - a. holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings;
  - b. holders of other equity securities, as required by the rights of those securities, or as the Directors otherwise consider necessary, and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory, or any matter whatsoever; and
- ii. the allotment (otherwise than under paragraph i. above) of equity securities or sale of treasury shares up to an aggregate nominal amount of £10,117.50 being just under 5% of the Company's issued share capital as at 22 May 2020.

Such power shall apply until the conclusion of the AGM to be held in 2021 (or, if earlier, 15 October 2021) but during this period the Company may make offers and enter into agreements which would or might require equity securities to be allotted (and treasury shares to be sold) after the power ends and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

**20. Authority to purchase own shares:** That the Company be hereby generally and unconditionally authorised pursuant to section 701 of the Act to make market purchases (as defined in section 693(4) of the Act), of ordinary shares provided that:

- i. the maximum number of ordinary shares which may be purchased is 40,470,000 being just under 10% of the Company's issued share capital as at 22 May 2020;
- ii. the minimum price (excluding stamp duty and expenses) which may be paid for each such share is 0.05p;
- iii. the maximum price (excluding stamp duty and expenses) which may be paid for each such share is the higher of:
  - a. an amount equal to 5% above the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the relevant share is purchased; and
  - b. the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venues where the purchase is carried out; and
- iv. the authority hereby conferred shall apply until the conclusion of the Company's AGM to be held in 2021 (or, if earlier, 15 October 2021) (except in relation to the purchase of shares the contracts for which are concluded before such expiry and which are executed wholly or partly after such expiry) unless such authority is renewed prior to such time.

**21. Notice of general meetings:** That the Directors be hereby authorised to call general meetings (other than an AGM) on not less than 14 clear days' notice.

By order of the Board

**GEMMA PARSONS**  
Company Secretary

10 June 2020

Registered office:  
Horseferry House, Horseferry Road  
London, SW1P 2AW

Registered in England and Wales  
Registered number: 03458224

# EXPLANATORY NOTES

The notes on the following pages give an explanation of the proposed resolutions.

**Resolutions 1 to 18 are proposed as ordinary resolutions.**

This means that for each of the resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

**Resolutions 19 to 21 are proposed as special resolutions.**

This means that for each of those resolutions to be passed, at least three quarters of the votes must be in favour of the resolution.

**Resolution 1 - Report and Accounts**

The Directors of the Company are required to present the Annual Report and Accounts to the meeting.

**Resolution 2 – Directors' Remuneration Policy**

This resolution is inviting shareholders to vote on the Directors' Remuneration Policy which can be found on pages 161 to 171 of the Company's Annual Report and Accounts. The Directors' Remuneration Policy sets out the Company's proposed forward-looking policy on Directors' remuneration. The intention is that, if approved, the Directors' Remuneration Policy will legally take effect immediately after the AGM on 15 July 2020 and last for three years. The Company is obliged to present a policy on Directors' remuneration to shareholders for approval at least every three years. The Company's current policy was last approved by shareholders at the 2017 AGM.

If the Directors' Remuneration Policy is approved by shareholders, it will take immediate effect and the Company will not be able to make a remuneration payment to a current, past or prospective Director or a payment for loss of office to a current or past Director unless that payment is consistent with the revised Policy or has been approved by a resolution of the shareholders of the Company. If the Directors' Remuneration Policy is not approved for any reason, the Company will continue to make payments to Directors in accordance with the current remuneration policy which was approved at the Company's 2017 AGM and is available in the Annual Report and Accounts for the year ended 31 March 2017 on the Company's website, and will seek shareholder approval for a further revised policy as soon as it is practicable.

**Resolution 3- Directors' Remuneration Report**

This resolution is the annual resolution inviting shareholders to vote on the Directors' Remuneration Report (excluding the Directors' Remuneration Policy), which can be found on pages 151 to 160 and 172 to 185 of the Company's Annual Report and Accounts and sets out details of payments made to Directors in the year ended 28 March 2020. The Directors must include specific information within the Directors' Remuneration Report in accordance with relevant regulations. This vote is advisory only.

**Resolutions 4 to 13 – Election and re-election of Directors**

In compliance with the UK Corporate Governance Code all Directors will retire at the AGM and, with the exception of Jeremy Darroch, will offer themselves for election or re-election as appropriate.

All the Non-Executive Directors have been subject to rigorous review and are considered to be independent, with the exception of the Chairman who was considered to be independent on appointment. The Board is satisfied that each of the Directors standing for election or re-election continues to perform effectively, displays relevant skills and knowledge and demonstrates commitment to his or her role and to the long-term success of the Company whilst having regard to wider stakeholder interests.

Biographies of the Directors seeking election or re-election, together with an explanation of the importance of their experience and contribution to the Company, can be found on pages 12 to 14 of this Notice and at [Burberryplc.com](http://Burberryplc.com).

**Resolutions 14 and 15 – Appointment of auditor**

At every general meeting at which accounts are presented to shareholders, the Company is required to appoint an auditor to serve from the end of the meeting until the next such meeting. Following last year's audit tender, Ernst & Young LLP (EY) has been identified as the Company's preferred external auditor. Resolution 14 authorises the Company to appoint EY and, following normal practice, Resolution 15 separately authorises the Audit Committee to determine their remuneration.



**Resolution 16 – The Burberry Share Plan 2020**

Alongside the new Directors' Remuneration Policy, the Company is proposing to adopt a new discretionary share plan, the Burberry Share Plan 2020 (the BSP). The BSP is intended to replace the current Burberry Group plc Executive Share Plan 2014 (ESP) as the Group's main long-term incentive plan. The terms of the BSP are materially similar to those of the ESP, save that the BSP rules allow awards to be granted to Executive Directors without performance conditions. Accordingly, in line with best practice the individual limits under the BSP are half those under the ESP.

The operation of the BSP will, in respect of Executive Directors of the Company, be subject to the terms of the Directors' Remuneration Policy as approved by shareholders.

The main features of the BSP are set out in the Appendix to this Notice on pages 15 to 17.

A copy of the rules of the BSP will be available for inspection at Linklaters LLP, One Silk Street, London EC2Y 8HQ (except Saturdays, Sundays and public holidays) from the date of this Notice up to and including the date of the AGM.

Copies of the rules of the BSP will also be available for inspection at the place of the AGM for at least 15 minutes prior to, and during, the meeting.

**Resolution 17 - Political donations**

This resolution seeks authority from shareholders for the Company and its subsidiaries to make donations to EU political parties, other political organisations or independent electoral candidates, or incur EU political expenditure. It is the Company's policy not to make donations to political parties and the Company has no intention of altering this policy. However, the definitions in the Act of "political donation", "political organisation" and "political expenditure" are broadly drafted. In particular, they may extend to bodies such as those concerned with policy review, law reform, representation of the business community and special interest groups, which the Company and its subsidiaries may wish to support. Accordingly, the Company is seeking this authority to ensure that it does not inadvertently commit any breaches of the Act through the undertaking of routine activities which would not normally be considered to result in the making of political donations.

The aggregate amount of expenditure permitted by this authority will be capped at £25,000.

**Resolutions 18 and 19 - Authorities to allot shares and disapply pre-emption rights**

Resolution 18 would give the Directors the authority to allot ordinary shares (or grant rights to subscribe for or convert any securities into ordinary shares) up to an aggregate nominal amount equal to £67,450 (representing 134,900,000 ordinary shares). This amount represents approximately one-third of the issued ordinary share capital (excluding treasury shares) of the Company as at 22 May 2020, being the latest practicable date prior to publication of this Notice.

The Directors have no current plans to issue shares other than in connection with employee share schemes. As at 22 May 2020, the Company does not hold any shares in treasury.

Resolution 19 would give the Directors the authority to allot ordinary shares (including any ordinary shares which the Company elects to hold in treasury) for cash without first offering them to existing shareholders in proportion to their existing shareholdings. This authority would be limited to allotments or sales in connection with rights issues or other pre-emptive offers, or otherwise up to an aggregate maximum nominal amount of £10,117.50 (representing 20,235,000 ordinary shares). This aggregate nominal amount represents approximately 5% of the issued ordinary share capital of the Company as at 22 May 2020, the latest practicable date prior to publication of this Notice. In respect of this aggregate nominal amount, the Directors confirm their intention to follow the provisions of the Pre-Emption Group's Statement of Principles regarding cumulative usage of authorities within a rolling three-year period where the Principles provide that usage in excess of 7.5% should not take place without prior consultation with shareholders.

The authority sought under this resolution is a standard authority taken by most listed companies each year. The Directors consider that it is in the best interests of the Company and its shareholders generally that they should have the flexibility conferred by the above authorities to make small issues of shares for cash (on a pre-emptive or, where appropriate, a non pre-emptive basis) as suitable opportunities arise, although they have no present intention of exercising any of these authorities.

The authorities sought under resolutions 18 and 19 will expire on the conclusion of the AGM to be held in 2021 (or, if earlier, 15 October 2021).

## NOTICE OF ANNUAL GENERAL MEETING

### Resolution 20 - Purchase of own shares

This resolution seeks shareholder approval for the Company to make market purchases of up to 40,470,000 ordinary shares, being just under 10% of the issued share capital (excluding treasury shares) as at 22 May 2020 and specifies the minimum and maximum prices at which the ordinary shares may be bought.

In certain circumstances it may be advantageous for the Company to purchase its own shares and the Directors consider it to be desirable for the general authority to be available to provide flexibility in the management of the Company's capital resources. Purchases of the Company's own shares will be made if to do so would be in the best interests of the Company and of its shareholders generally, and would result in an increase in earnings per share. From September 2019 to January 2020, the Company completed a buyback programme of £150 million (excluding stamp duty). On 4 March 2020, the Company cancelled 7,184,905 shares in treasury and as a result the Company did not hold any shares in treasury at 28 March 2020.

It is the Company's current intention that if any shares are repurchased under this authority, sufficient shares will be held in treasury to meet the requirements, as they arise, of the Company's share incentive arrangements, with the remainder being cancelled.

The total number of awards and options to subscribe for ordinary shares outstanding as at 22 May 2020 (being the latest practicable date prior to the publication of this Notice), was 5,477,856 representing approximately 1.35% of the issued share capital (excluding treasury shares) at that date. If the existing share purchase authority given on 17 July 2019 (to the extent not already utilised) and the authority being sought under this resolution were utilised in full, the issued share capital would be reduced by an equivalent amount and the outstanding awards and options would represent approximately 1.66% of the issued share capital as at 22 May 2020. No warrants over ordinary shares in the capital of the Company are in existence as at 22 May 2020.

This authority will expire at the conclusion of the AGM to be held in 2021 (or, if earlier, 15 October 2021).

### Resolution 21 - Notice of general meetings

This resolution seeks to renew an authority granted at last year's AGM to allow the Company to call general meetings, other than an AGM, on 14 clear days' notice. Changes made to the Act by the Shareholders' Rights Regulations increase the notice period required for general meetings of the Company to 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days (AGMs will continue to be held on at least 21 clear days' notice). Prior to the Shareholders' Rights Regulations coming into force, the Company was able to call general meetings, other than an AGM, on 14 clear days' notice without obtaining such shareholder approval.

The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

The approval will be effective until the Company's next AGM to be held in 2021 (or, if earlier, 15 October 2021).

### APPOINTMENT OF PROXY

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. However, in light of current circumstances and to minimise public health risks, shareholders will not be able to attend the AGM in person and we strongly encourage electronic voting or appointing the Chairman of the Meeting as a proxy to attend, speak and vote on your behalf.

To be entitled to vote ahead of the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered on the register of members of the Company at 6:30pm on Monday, 13 July 2020 (or, in the event of any adjournment, 6:30pm on the date which is two working days before the time of the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person entitled to vote.

2. All resolutions at the AGM will be decided by poll. The Directors believe a poll is more representative of shareholders' voting intentions because shareholders' votes are counted according to the number of shares held and all votes tendered are taken into account.
3. A Form of Proxy which may be used to make proxy appointments and give proxy instructions accompanies this Notice. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact Equiniti on 0371 384 2839. Lines are open 8.30am to 5.30pm, Monday to Friday (excluding public holidays in England and Wales). The Equiniti overseas helpline number is +44 121 415 7047. Given the current restrictions on attendance, shareholders are requested to appoint the Chairman of the Meeting as their proxy, rather than a named person who will not be permitted to attend the meeting.
4. To be valid, any Form of Proxy or other instrument appointing a proxy must be received by the Company's Registrar, Equiniti, by no later than 11:00am on Monday, 13 July 2020. Please send the completed Form of Proxy either:
  - via email to [proxyvotes@equiniti.com](mailto:proxyvotes@equiniti.com);
  - by post to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA; or
  - online by visiting [www.sharevote.co.uk](http://www.sharevote.co.uk) and following the instructions provided.

Shareholders can also download a blank Form of Proxy from the investor section of Burberry Group plc's website at [www.burberryplc.com/AGM2020](http://www.burberryplc.com/AGM2020).
5. In the case of a member which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
6. Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.
7. The return of a completed Form of Proxy, other such instrument or any CREST Proxy Instruction will not prevent a shareholder attending the AGM and voting in person if they wish to do so. However, please note the current restrictions on attendance at the AGM in person.
8. Unless voting instructions are indicated on the Form of Proxy, a proxy may vote or withhold his vote as he thinks fit on the resolutions or on any other business (including amendments to resolutions) which may come before the meeting. Please note that a 'vote withheld' (as it appears on the proxy or voting instruction form) is not a vote in law and will not be counted in the calculation of the proportion of votes 'for' or 'against' a resolution.
9. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
10. If more than one valid proxy appointment is submitted, the appointment received last before the latest time for the receipt of proxies will take precedence.

#### APPOINTMENT OF PROXIES THROUGH CREST

11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
12. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Equiniti (ID RA19) by 11:00 am on Monday, 13 July 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

## NOTICE OF ANNUAL GENERAL MEETING

13. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
14. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

### NOMINATED PERSONS

15. Any person to whom this Notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a Nominated Person) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. However, given the current restrictions on attendance, shareholders are requested to appoint the Chairman of the Meeting as their proxy rather than a named person who will not be permitted to attend the meeting.
16. The statement of the rights of shareholders in relation to the appointment of proxies in paragraph 1 above does not apply to Nominated Persons. The rights described in this paragraph can only be exercised by shareholders of the Company.

### CORPORATE REPRESENTATIVES

17. Any corporate shareholder may appoint one or more corporate representative(s) who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

### QUESTIONS AT THE AGM

18. Effective engagement with our shareholders is highly valued by the Board and we would recommend that you submit any questions you have in relation to the business of the meeting in advance to Ask.Burberry-AGM2020@burberry.com. Please submit your questions by 11:00am on 13 July 2020. We will answer any questions received in a webcast, which has been arranged at 12 noon Wednesday, 15 July 2020 and will be available at [www.burberryplc.com/AGM2020](http://www.burberryplc.com/AGM2020) until 14 August 2020.

The Company will answer any such question relating to the business being dealt with at the AGM but no such answer need be given if: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.

### ISSUED SHARES AND TOTAL VOTING RIGHTS

19. As at 22 May 2020 (being the latest practicable date prior to the publication of this Notice) the Company's issued share capital (excluding treasury shares) consisted of 404,705,886 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 22 May 2020 are 404,705,886.

### WEBSITE PUBLICATION OF AUDIT CONCERNS

20. Under section 527 of the Act, members meeting the threshold requirements set out in that section have the right to require the Company at no expense to publish on a website a statement setting out any matter relating to:
- the audit of the Company's accounts for the year ended 28 March 2020 (including the independent auditors' report and the conduct of the audit) that are to be laid before the AGM; or
  - any circumstance connected with an auditor of the Company ceasing to hold office since the previous AGM.

Any such statement will be forwarded to the Company's auditor not later than the time the statement is made available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on a website.

**INFORMATION AVAILABLE ON THE WEBSITE**

21. A copy of this Notice and other information required by section 311A of the Act can be found at [www.burberryplc.com](http://www.burberryplc.com).

**DOCUMENTS AVAILABLE FOR INSPECTION**

22. The service contracts and letters of appointment for all Directors, a copy of the rules of the BSP referred to in Resolution 16 and a copy of this Notice will be available for inspection during normal business hours at Horseferry House, Horseferry Road, London SW1P 2AW. A copy of the rules of the BSP will also be available for inspection at Linklaters LLP, One Silk Street, London EC2Y 8HQ (except Saturdays, Sundays and public holidays) from the date of this Notice up to and including the date of the AGM. Copies of the rules of the BSP will also be available for inspection at the place of the AGM for at least 15 minutes prior to and during the meeting.

**ELECTRONIC COMMUNICATION**

23. Shareholders may at any time choose to receive all shareholder documentation in electronic form via the internet, rather than through the post in paper format. Shareholders who decide to register for this option will receive an email each time a statutory document is published on the internet. Shareholders who wish to receive documentation in electronic form should contact the Company's Registrar, Equiniti, or visit [www.shareview.co.uk](http://www.shareview.co.uk) and register for the electronic communications service.
24. Any electronic address provided either in this Notice or any related documents (including the Form of Proxy) may not be used to communicate with the Company for any purposes other than those expressly stated.

**PERSONAL DATA**

25. Personal data provided by shareholders at or in relation to the AGM (including names, contact details, votes and Shareholder Reference Numbers) will be processed in line with the Company's privacy policy which is available on our website at [www.burberryplc.com/en/investors/shareholder-centre/shareholder-privacy-notice.html](http://www.burberryplc.com/en/investors/shareholder-centre/shareholder-privacy-notice.html).

# DIRECTORS' BIOGRAPHIES

**DR GERRY MURPHY (64)**  
Chairman

**Appointed:**  
17 May 2018  
**Nationality:** Irish  
**Committees:** 

## Contribution to the Company and reasons for re-election

Gerry brings to the Board experience of managing business transformations and has substantial international business and senior management experience. His in-depth understanding of UK corporate governance requirements and his extensive experience in the retail sector provides the Board with highly relevant and valuable leadership as Burberry continues to focus on delivering long-term sustainable value for all our stakeholders.

## Experience

Gerry was appointed Chairman at the AGM on 12 July 2018. He has been Chairman of Tate & Lyle plc since 2017. From 2008 to 2019, Gerry undertook a number of roles at the principal European entity of The Blackstone Group, including serving as Chairman (2009-2019) and as a partner in the firm's private equity investment unit (2008-2017). From 2003 to 2008, Gerry was CEO of Kingfisher plc. He was also previously CEO of Carlton Communications plc (now ITV) from 2000 to 2003, Exel plc from 1995 to 2000, Greencore Group plc from 1991 to 1995 and spent his earlier career with Grand Metropolitan plc (now Diageo plc). Gerry has served as a Non-Executive Director on the Boards of British American Tobacco plc from 2009 to 2017, Merlin Entertainments plc from 2009 to 2015, Reckitt Benckiser plc from 2005 to 2008, Abbey National plc in 2004 and Novar plc from 1997 to 2003.

**MARCO GOBBETTI (61)**  
Chief Executive Officer

**Appointed:**  
5 July 2017  
**Nationality:** Italian

## Contribution to the Company and reasons for re-election

Marco has spent more than two decades working in a variety of executive positions for prestigious international fashion brands, with a focus on leather goods. He has an outstanding track record of delivering growth in the luxury industry and has a clear vision for the luxury sector and how it will evolve. Whilst working at Céline, he revamped the entire product offering and significantly increased profits. His extensive understanding of international brand transformation and retail execution is highly relevant to Burberry as we continue to re-energise the brand, drive forward with our strategy and strive for long-term growth in the rapidly changing environment in which we operate.

## Experience

Marco joined Burberry from the French luxury leather group Céline, where he was Chairman and CEO from 2008 to 2016. Marco has previously served as Chairman and CEO of Givenchy and was CEO of Moschino from 1993 to 2004. In his early career Marco worked as Marketing and Sales Director at Bottega Veneta, before joining luxury leather specialist Valestra as Managing Director.

**JULIE BROWN (58)**  
Chief Operating and Financial Officer

**Appointed:**  
18 January 2017  
**Nationality:** British


## Contribution to the Company and reasons for re-election

Julie has spent over 8 years in CFO positions in the FTSE 100 and has a strong track record of leading change and supporting businesses through her significant experience in financial, commercial and strategic roles. Her extensive experience in leading change and delivering shareholder value through major transformational programmes will be valuable to Burberry as we progress to the next phase of our Strategy.

## Experience

Julie joined Burberry from Smith & Nephew where she was the Group CFO from 2013-2017. Prior to this, she was Interim Group CFO of AstraZeneca after serving 25 years with AstraZeneca, working in three continents. In Julie's earlier career with AstraZeneca, she held a number of positions covering Group and Business Finance, together with Strategy and Commercial positions, including time as a Regional and Country head. She gained extensive M&A and transformational experience through the merger between Astra and Zeneca and her role in Smith & Nephew. Julie is also a Non-Executive Director and Audit Chair of Roche Holding Limited and on the Business Advisory Board to the Mayor of London. She is a Fellow of the Institute of Chartered Accountancy and the Institute of Tax, after qualifying with KPMG.

## KEY

-  Chair
-  Remuneration Committee
-  Nomination Committee
-  Audit Committee

**FABIOLA ARREDONDO (53)**  
Independent Non-Executive Director

**Appointed:**  
10 March 2015  
**Nationality:** American  
**Committees:** R N

**Contribution to the Company and reasons for re-election**

Fabiola built and led a major division of Yahoo! Inc and brings directly relevant international strategic and operational experience in the internet and media sectors. Through her deep engagement at the World Wildlife Fund, Fabiola also has considerable experience of overseeing sustainability initiatives. Her digital and consumer background, coupled with her extensive international Non-Executive Directorship experience makes Fabiola an important member of the Board.

**Experience**

Fabiola is currently the Managing Partner of Siempre Holdings, a private investment firm based in the US. She is also a Non-Executive Director at Campbell Soup Company and Fair Isaac Corporation which are both listed on the NYSE. Fabiola is also currently a National Council Member of the World Wildlife Fund and Member of the Council on Foreign Relations. She has previously served as a Non-Executive Director at FTSE 100 companies Experian plc and BOC Group plc (now Linde Group), Saks Incorporated (now Hudson's Bay Company) and Ibex 35 company Bankinter S.A. She has also held Non-Executive Directorships at National Public Radio, Rodale Inc., Intelsat Inc., Sesame Workshop and the World Wildlife Fund UK and US. Fabiola also held senior operating roles at Yahoo! Inc, the BBC and Bertelsmann AG.

**RON FRASCH (71)**  
Independent Non-Executive Director

**Appointed:**  
1 September 2017  
**Nationality:** American  
**Committees:** A R N

**Contribution to the Company and reasons for re-election**

Ron has spent over 30 years working in the retail industry. He has clear strategic acumen, strong leadership skills and wide-ranging experience of working with luxury fashion brands. Whilst working at Saks he was the instrumental driving force behind developing the company's private-label collections. Ron's wealth of fashion experience and his well-established merchandising skills will continue to play a pivotal role as Burberry continues to grow and we strengthen our performance in the luxury fashion market.

**Experience**

Ron is currently CEO of Ron Fresch Associates LLC. He is also a Non-Executive Director of Crocs Inc. and Aztech Mountain. From 2004 to 2007, Ron served as Vice Chairman of Saks Fifth Avenue Inc. and from 2007 to 2013 he was President, with responsibility for fashion buying, merchandise planning, store planning, stores and visual. Prior to Saks, Ron spent four years as President and CEO of Bergdorf Goodman. He has also served as President of the Americas for an Italian licensing company of luxury fashion brands.

**MATTHEW KEY (57)**  
Independent Non-Executive Director

**Appointed:**  
1 September 2013  
**Nationality:** British  
**Committees:** A R N

**Contribution to the Company and reasons for re-election**

Matthew has significant strategic, regulatory and operational experience in the e-commerce and technology sectors. He brings to the Board significant experience of managing dynamic and fast-moving international companies and has an extensive understanding of the consumer market. Matthew's significant financial experience remains important to the Board, as reflected in his appointment as Chair of the Audit Committee.

**Experience**

Matthew is currently a Non-Executive Director of BT Group plc and a Member of BT's Audit and Risk Committee and Nominating and Governance Committee. Matthew served as a member of the advisory Board of Samsung Europe between 2015 and 2017. Between 2007 to 2014, he held various positions at Telefonica, including Chairman and CEO of Telefonica Europe plc, and Chairman and CEO of Telefonica Digital, the global innovation arm of Telefonica. In his early career he held various financial positions at Grand Metropolitan plc, Kingfisher plc, Coca-Cola and Schweppes.

## NOTICE OF ANNUAL GENERAL MEETING

### **DAME CAROLYN MCCALL (58)**

Independent Non-Executive  
Director

#### **Appointed:**

1 September 2014

**Nationality:** British

**Committees:** A N

#### **Contribution to the Company and reasons for re-election**

Carolyn has an impressive track record in media and is known for her experience of running international businesses. While at easyJet plc Carolyn transformed the company into one of the biggest airlines in Europe. Carolyn's clear strategic acumen and strong track record of driving operational excellence and managing change makes her an important member of the Board as Burberry strives to deliver long-term sustainable value for all our stakeholders.

#### **Experience**

Carolyn joined ITV plc in 2018 as CEO. From 2010 to 2017 she was CEO of easyJet plc and held a number of roles at the Guardian Media Group plc, including CEO from 2006 to 2010. She has also previously served as a Non-Executive Director of Lloyds TSB, Tesco plc and New Look Group plc. In 2008, Carolyn was awarded an OBE for her services to women in business and in 2016 a damehood for her services to the aviation industry.

### **ORNA NÍCHIONNA (64)**

Independent Non-Executive  
Director

#### **Appointed:**

3 January 2018

**Nationality:** Irish

**Committees:** R N

#### **Contribution to the Company and reasons for re-election**

Orna has strong UK plc and international business experience, especially in the consumer and retail markets. She also brings to the Board significant financial, strategic and governance experience. Orna is a committed environmentalist and was Chair of the Soil Association (which campaigns for organic food and farming) for six years. Her passion for the environment will be an asset to Burberry as we continue to drive positive change and build a more sustainable future through our ongoing Responsibility Agenda.

#### **Experience**

Orna is currently Senior Independent Director at Saga plc, Deputy Chairman at the National Trust and Chair of Founders Intelligence. She has previously served on the Boards of Bupa, HMV, Northern Foods and Bank of Ireland UK and until recently was Senior Independent Director and Chair of the Remuneration Committee at Royal Mail plc. In addition, Orna spent 18 years at McKinsey & Company, where she co-led their European Retail Practice and has been an advisor to Apax Partners LLP.

### **DEBRA LEE (65)**

Independent Non-Executive  
Director

#### **Appointed:**

1 October 2019

**Nationality:** American

**Committees:** A N

#### **Contribution to the Company and reasons for election**

Debra is one of the most influential female voices in the entertainment industry and has a great understanding of the American consumer and culture. She served as the Chairman and CEO of BET Networks, the leading provider of entertainment for the African-American audience and consumers of black culture globally.

#### **Experience**

Debra, CEO and founder of Leading Women Defined, Inc., is currently a Non-Executive Director at AT&T, Inc. and a Non-Executive Director and member of the Nominating and Corporate Governance Committees at Marriott International, Inc. From 2006 to 2018, Debra served as Chairman and Chief Executive Officer at Black Entertainment Television LLC, a division of Viacom, Inc. Debra also served as a Non-Executive Director of Twitter, Inc. from May 2016 to July 2019.

### **SAM FISCHER (52)**

Independent Non-Executive  
Director

#### **Appointed:**

1 November 2019

**Nationality:** Australian

**Committees:** R N

#### **Contribution to the Company and reasons for election**

Sam has first-hand knowledge of leading iconic heritage premium brands, which will be a huge asset to Burberry as we grow our business in key Asian markets.

#### **Experience**

Sam is currently President, Greater China and Asia Pacific at Diageo plc and is also a member of its Global Executive Committee. Since joining Diageo in 2007, Sam has held several senior roles including Managing Director of Greater China and Managing Director for South East Asia. Prior to Diageo, Sam held a number of commercial and general management roles at Colgate-Palmolive between 1991 and 2006, culminating in a role as Managing Director of Central Europe.



## APPENDIX: SUMMARY OF THE BURBERRY SHARE PLAN 2020 (THE BSP)

A summary of the main features of the proposed BSP is set out below. The proposed operation of the BSP in respect of the Company's Executive Directors for 2020 (including the performance underpins) is described in the proposed Directors' Remuneration Policy, as set out on pages 161 to 171 of the Company's Annual Report and Accounts.

### 1. Summary

Under the BSP, participants may be granted an award of shares in the Company (a BSP Award). A BSP Award may be in the form of a conditional award or an option (which may be nil-cost).

The Directors intend to grant awards in the form of conditional awards wherever practicable.

Awards will normally vest subject only to continued service (and risk of forfeiture for malus events). However, as described below, the vesting of awards may also be subject to conditions, such as performance targets or performance underpins.

The powers of the Directors under the BSP may be delegated. It is anticipated most actions in respect of BSP Awards will be taken by the Company's Remuneration Committee or its delegate(s).

### 2. Eligibility

All employees (including Executive Directors of the Company) of the Group are eligible to participate in the BSP.

### 3. Grant of BSP Awards

BSP Awards may be structured as conditional awards or options (which may be nil-cost) and may, at the Company's discretion, be cash settled. Options may be exercised for up to ten years from grant.

The Directors (or in the case of Executive Directors and other selected senior management, the Remuneration Committee) will decide who will be granted BSP Awards and over how many shares. It is currently intended that participation will be limited to Executive Directors and senior employees.

BSP Awards will normally only be granted within 42 days of the announcement of the Company's results for any period or a general meeting of the Company.

It is intended that the first BSP Awards will be granted in 2020. No BSP Awards can be granted more than 10 years after the BSP is approved by the Company's shareholders.

### 4. Conditions

It is intended that BSP Awards will not normally be subject to performance conditions.

However, the Company may make the vesting of a BSP Award conditional on the satisfaction of one or more conditions which may or may not be linked to the performance of the Company, the participant, or the member of the Group in whose business unit the participant works.

The Directors may waive or change a condition in accordance with its terms or if anything happens which causes the Directors reasonably to consider it appropriate to do so.

It is currently intended that BSP Awards granted to Executive Directors in 2020 will be subject to performance underpins based on three key areas: Revenue, Group Return on Invested Capital and brand value and sustainability. Further details of these underpins are set out on page 176 of the Company's Annual Report and Accounts.

Full details of any performance underpins (or any performance conditions, should the Remuneration Committee determine that these will apply) to be applied to BSP Awards for the Company's Executive Directors will be determined by the Remuneration Committee and normally be disclosed before each annual grant in the Directors' Remuneration Report, where applicable.

### 5. Individual limits

In respect of any financial year, the aggregate market value (at the time of the grant) of the shares subject to BSP Awards granted to a participant will not exceed three times his or her annual basic salary. Buy-out awards will not be subject to this limit.

### 6. Plan limits

In any 10-year period, not more than 10% of the issued ordinary share capital of the Company may be issued or be issuable under the BSP and all other employees' share plans operated by the Company. In addition, in any 10-year period, not more than 5% of the issued ordinary share capital of the Company may be issued or be issuable under all discretionary share plans adopted by the Company. These limits do not include awards which have lapsed or dividend equivalents.

Treasury shares transferred to satisfy a BSP Award will be counted as if new shares had been issued for so long as it is considered best practice to do so.

## NOTICE OF ANNUAL GENERAL MEETING

### 7. Before vesting

Participants will not be entitled to vote or receive dividends in respect of BSP Awards. However, the Directors may decide to pay participants a dividend equivalent (in either cash or shares) on vesting or, in the case of options, exercise, in respect of shares that vest. The current intention is to pay dividend equivalents in shares.

### 8. Vesting of BSP Awards

BSP Awards will normally vest, to the extent any applicable conditions have been met, after the vesting period specified by the Directors.

For BSP Awards to be granted in 2020, it is currently intended that BSP Awards will vest in three equal tranches over the third, fourth and fifth years after the date of grant for awards made to the Company's Executive Directors, and in full after three years for all other participants.

Vesting can be delayed at the discretion of the Directors, including if a participant is subject to any disciplinary action or about to terminate employment in circumstances where the treatment that should apply to a BSP Award is unclear.

Otherwise, subject to malus provisions and/or holding restrictions described below, shares will be issued or transferred to the participant shortly after vesting, or, in the case of options, exercise, unless the Company decides to satisfy the BSP Award in cash.

### 9. Malus and clawback

Prior to vesting BSP Awards may lapse (in whole or in part) if the Directors so decide, in the following circumstances:

- i. if there is a material misstatement of the Company's accounts for any financial year covered by, or part of which falls within, the period between grant and vesting; or
- ii. if the participant has engaged (during the period between grant and vesting) in serious misconduct including, but not limited to, a breach of any Company policy from time to time in force which results in serious reputational damage for the Company or any member of the Group and/or which justifies, or could justify or have justified, summary dismissal of the participant.

When granting a BSP Award the Directors will set the "clawback period". During this period the Company may seek to recover any vested shares or cash, including any amounts relating to dividend equivalents or dividends, from participants (in whole or in part) if the Directors so decide, in the following circumstances:

- a. if a BSP Award vested based on one or more incorrect calculations;
- b. if there is a material misstatement of the Company's accounts for any financial year covered by, or part of which falls within, the period between grant and vesting; or
- c. if the participant has engaged (during the period between grant and the end of the clawback period) in serious misconduct including, but not limited to, a breach of any Company policy from time to time in force which results in serious reputational damage for the Company or any member of the Group and/or which justifies, or could justify or have justified, summary dismissal of the participant.

For BSP Awards to be granted in 2020, it is currently intended that BSP Awards will normally be subject to clawback until the sixth anniversary of the award date.

### 10. Holding restriction

Post-vesting holding restrictions may apply to BSP Awards.

Where a post-vesting holding restriction applies, the participant will only be able to dispose of their shares in very limited circumstances (such as where shares are subject to clawback, to pay tax liabilities or on a rights issue).

The Directors will specify at grant how long following vesting the restrictions will apply for. Restrictions will normally cease to apply upon the death of the participant or following a change of control (or similar transaction).

The Company intends that any BSP Award granted to the Company's Executive Directors will be subject to a holding restriction until the fifth anniversary of grant.

### 11. Leaving employment

A BSP Award will normally lapse if the participant leaves employment with the Group.

However, if the participant leaves 12 months or more from the date on which the BSP Award was granted because of death, disability, ill-health, injury, redundancy, retirement with the agreement of the participant's employer, sale of their employer or any other reason at the discretion of the Directors, their BSP Award will generally continue in effect and remain capable of vesting as described below, unless the Directors decide that it should vest early.

Alternatively, on a sale of employer, participants may be allowed or required to exchange their BSP Awards for awards over shares in the purchasing company.

The Directors retain discretion to determine that a BSP Award will not lapse but will instead remain capable of vesting.

Where a BSP Award remains capable of vesting after the participant leaves employment:

- i. the number of shares in respect of which it vests will normally be reduced for time on a pro rata basis, which is currently intended to be calculated over a three-year period. However, where at least three years from grant have elapsed, the Company's current intention is that time pro-rating will not apply; and
- ii. if the BSP Award is subject to conditions, the conditions will be tested to determine the level of vesting (unless waived).

### 12. Takeovers and significant corporate events

BSP Awards will generally vest early on a takeover and may vest early on a merger or other similar significant corporate event. Alternatively, participants may be allowed or required to exchange their BSP Awards for awards over shares in the acquiring company.

Where a BSP Award vests in these circumstances and is subject to conditions, the conditions will be tested to the date of the transaction and the number of shares in respect of which the BSP Award vests will, unless the Directors decide otherwise, be reduced to reflect the accelerated vesting. However, where at least three years from grant have elapsed, the Company's current intention is that no reduction to reflect acceleration will apply.

### 13. Rights issues, demergers etc

The number of shares subject to a BSP Award (and, where relevant, the option price) may be adjusted to reflect a special dividend or distribution, demerger, any variation in the share capital of the Company (including a rights issue) or any other corporate event which might affect the current or future value of any BSP Award.

### 14. General

BSP Awards are not transferable (except to personal representatives on death or with the prior consent of the Directors) and are not pensionable. Participants do not pay for the grant of a BSP Award.

BSP Awards may be settled with new issue, treasury or market purchase shares.

Any shares issued following the vesting of BSP Awards will rank equally with shares of the same class in issue on the date of allotment except in respect of rights arising by reference to a prior record date.

### 15. Amendments

The Directors can amend the BSP in any way. However, shareholder approval will be required to amend certain provisions to the advantage of participants. These provisions relate to eligibility, individual and plan limits, the rights attaching to BSP Awards and shares, the adjustment of BSP Awards on variation in the Company's share capital (including rights issues and open offers) and the amendment powers.

The Directors can, without shareholder approval, make minor amendments to benefit the administration of the BSP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment. They can also amend or waive any conditions without shareholder approval. This power would only be used in exceptional circumstances.

The Directors may also, without shareholder approval, establish further plans based on the BSP, but modified to take account of overseas securities laws, exchange controls or tax law. Shares made available under such further plans will be treated as counting against any limits on individual or overall participation in the BSP.

