CORPORATE GOVERNANCE STATEMENT

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Dear Shareholder,

On behalf of the Board I am pleased to present the Corporate Governance Report for the year ended 27 March 2021. This report describes Burberry’s Corporate Governance structures and procedures, and summarises the work of the Board and its Committees to illustrate how we have discharged our responsibilities this year.

As Chair, I am responsible for leading and ensuring an effective Board. COVID-19 impacted the way the Board and Board Committees worked throughout FY 2020/21. We adapted our processes to ensure that we could continue to operate effectively. All of our meetings were held virtually and we made changes to the timing and length of meetings to accommodate the various time zones of our Board members globally. In addition to our formal Board and Committee meetings, the Board was updated regularly by management on the Group’s dynamic and agile response to the pandemic. I would like to pay tribute to my Board colleagues for their flexibility and outstanding support throughout the year and I am particularly grateful to those who, due to their location, attended meetings at very unsociable hours.

Stakeholder engagement

The Board recognises its duties and responsibilities to our shareholders and other stakeholders and, during FY 2020/21, continued to partner closely with management to safeguard our colleagues, customers, communities and our business. More detail regarding the actions the Board has taken to support our stakeholders and consider their interests in its strategic planning and decision-making processes is set out on pages 96 to 104.

The Global Workforce Advisory Forum met twice during FY 2020/21. I attended both meetings together with Orna NiChionna, Chair of our Remuneration Committee. At the first meeting we sought feedback and advice on Burberry’s response to the pandemic in terms of executing our strategy, helping customers and supporting colleagues and communities. The second meeting focused mainly on remuneration topics which are discussed in more detail on page 184 of the Directors’ Remuneration Report. The Board very much appreciates the honest conversations, constructive feedback and valuable insights received from colleagues across the world through the Forum.
Purpose, values and culture
At Burberry, we believe that creativity opens spaces. Our purpose is to unlock the power of imagination to push boundaries and open new possibilities for our people, our customers and our communities. We aspire to be creatively driven, open and caring, proud of our heritage and forward thinking. Our purpose and values inform our strategy, decision-making and our relationships with stakeholders, and help shape our culture.

During the year, we acted decisively to embed our purpose and values in decision-making and both internal and external communications. As part of this drive, we have evolved critical stages of our people’s experience at Burberry, for example, by creating a new onboarding programme, which introduces our purpose and values. We have also integrated these values into our performance assessment process.

Board changes during FY 2020/21
Board succession planning has continued to be an important area of focus during FY 2020/21. In July 2020, Jeremy Darroch retired from the Board at the conclusion of our 2020 AGM following six years’ service. During his tenure, Jeremy was Senior Independent Director and Chair of the Audit Committee and his contributions and insights were valued greatly. Dame Carolyn McCall was appointed as Senior Independent Director with effect from 15 July 2020.

Following a recruitment process led by the Nomination Committee, we appointed Antoine de Saint-Affrique to the Board on 1 January 2021. Antoine’s international business experience, strong understanding of consumers and focus on sustainability will be hugely valuable to the Board. Information on his induction process can be found within the Nomination Committee Report on page 165.

Board effectiveness
The Board undertook an externally facilitated review of its effectiveness during the year led by Independent Audit. The process undertaken and the findings of the review can be found on pages 166 and 167 together with an update on our progress in addressing the actions identified following the FY 2019/20 review.

Compliance with the UK Corporate Governance Code
Burberry complied with the requirements of the UK Corporate Governance Code during FY 2020/21 with the exception of Provision 38 which refers to Executive Directors’ pensions compared to wider workforce. As explained in the Directors’ Remuneration Report, this will be addressed by aligning the pension contribution levels for our current Executive Directors with the maximum rate available to the majority of our UK workforce by 1 January 2023.

As a Board, we have adapted to reflect the changing times we have all experienced. We would like to thank our people, shareholders and customers for their continued support during this unprecedented year. As we look forward to the future, I believe that your Board has the right balance of skills and expertise to continue to support and challenge management as we strive to deliver the next chapter of Burberry’s strategic goals and vision to be the leading British luxury brand.

Gerry Murphy
Chairman
As a Board we have collective responsibility for the long-term success of Burberry and are accountable to Burberry’s stakeholders.

Committee Key
- Chair
- Remuneration Committee
- Nomination Committee
- Audit Committee

**Committee Key**

<table>
<thead>
<tr>
<th>Chair</th>
<th>Remuneration Committee</th>
<th>Nomination Committee</th>
<th>Audit Committee</th>
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</table>

**Key Skills**

Gerry brings to the Board experience of managing business transformations and has substantial international business and senior management experience. With his in-depth understanding of UK corporate governance requirements and his extensive experience in the retail sector, Gerry 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 has been Chairman of Tate & Lyle plc since 2017 and was Chairman of The Blackstone Group International from 2009 to 2019 and a partner in the firm’s private equity investment unit from 2008 to 2017. From 2003 to 2008, Gerry was CEO of Kingfisher plc. He previously served as 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.

**Dr Gerry Murphy**
(65)
Chairman
Appointed: 17 May 2018
Nationality: Irish

**Marco Gobbetti**
(62)
Chief Executive Officer
Appointed: 5 July 2017
Nationality: Italian

**Key Skills**

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. While working at Celine, he revamped the entire product offering and significantly increased profits. In the last three years, he has led the transformation of every aspect of our business and built a new Burberry. His extensive experience and understanding of luxury continue to be highly relevant to Burberry as we drive forward our strategy to accelerate growth and deliver significant high-quality value creation.

**Experience**

Marco joined Burberry from the French luxury leather group Celine, where he was Chairman and CEO from 2008 to 2016. Marco 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 Valextra as managing director.
Julie Brown (59)
Chief Operating and Financial Officer
Appointed: 18 January 2017
Nationality: British

Key Skills
Julie has spent more than eight years in Chief Financial Officer positions in the FTSE 100 and has a strong track record of leading change and delivering sustainable, long-term value for shareholders. Her extensive experience in financial, commercial and strategic roles and leading major transformational programmes continues to be highly relevant to Burberry in the next phase of our strategy. Julie is committed to implementing initiatives that support our sustainability goals and is a passionate champion of diversity and women in business.

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. During her 25 years with the firm, she held a number of positions across three continents, covering Group and Business Finance, Strategy and Commercial positions, including time as a Regional and Country President. She gained extensive mergers and acquisition and transformational experience through the merger of Astra and Zeneca and in her role at Smith & Nephew. Julie is also a Non-Executive Director and Audit Chair of Roche Holding Limited. She is Ambassador for the Prince’s Trust Women Supporting Women initiative and co-Chair of The Prince’s Accounting for Sustainability Project’s CFO Leadership Network. Julie is also a member of the Mayor of London’s Business Advisory Board and Patron of Oxford University Women in Business. She is a Fellow of the Institute of Chartered Accountancy and the Institute of Tax, after qualifying with KPMG.

Dame Carolyn McCall (59)
Senior Independent Director
Appointed: 1 September 2014
Nationality: British

Committees: A N

Key Skills
Carolyn has an impressive track record in media and is known for her experience in 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.

Fabiola Arredondo (54)
Independent Non-Executive Director
Appointed: 10 March 2015
Nationality: American

Committees: R N

Key Skills
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 make Fabiola an important member of the Board.

Experience
Fabiola is currently the Managing Partner of Siempre Holdings, a private investment firm based in the USA. She is also a Non-Executive Director at Campbell Soup Company and Fair Isaac Corporation, which are both listed on the New York Stock Exchange. 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 USA. Fabiola also held senior operating roles at Yahoo! Inc., the BBC and Bertelsmann AG.
Ron Frasch (72)
Independent
Non-Executive
Director
Appointed:
1 September 2017
Nationality: American

Key Skills
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. While 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 Frasch Associates LLC. He is also a Non-Executive Director of Crocs Inc, Aztech Mountain and MacKenzie Childs. Between 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 (58)
Independent
Non-Executive
Director
Appointed:
1 September 2013
Nationality: British

Key Skills
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 Chair of Dallaglio Rugbyworks. Matthew is also currently a Non-Executive Director of BT Group plc, a member of BT's Nomination and Remuneration Committees and is Chair of its Audit and Risk Committee. Matthew served as a member of the advisory Board of Samsung Europe between 2015 and 2017. From 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. Matthew is a qualified chartered accountant having qualified with Arthur Young (now EY). In his early career, he held various financial positions at Grand Metropolitan plc (now part of Diageo plc), Kingfisher plc, Coca-Cola and Schweppes.

Orna NiChionna (65)
Independent
Non-Executive
Director
Appointed:
3 January 2018
Nationality: Irish

Key Skills
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 is 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 its European Retail Practice, and has been an advisor to Apax Partners LLP.
Debra Lee (66)
Independent Non-Executive Director
Appointed: 1 October 2019
Nationality: American

Key Skills
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. Debra is also a Non-Executive Director of The Proctor & Gamble Company and a member of both its Governance and Public Responsibility, and Compensation and Leadership Development Committees. 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 (53)
Independent Non-Executive Director
Appointed: 1 November 2019
Nationality: Australian

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

Experience
Sam is currently President, Asia Pacific and Global Travel, 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 to 2006, culminating in a role as Managing Director of Central Europe.

Antoine de Saint-Affrique (56)
Independent Non-Executive Director
Appointed: 1 January 2021
Nationality: French

Key Skills
Antoine has a wealth of experience in driving business expansion, innovation, leadership and sustainability. As CEO of Barry Callebaut, Antoine has brought the company’s sustainability agenda to the heart of its strategy, setting ambitious targets that address the largest sustainability challenges in the chocolate supply chain. He also gained extensive experience of managing leading consumer brands at Unilever. This strong understanding of the consumer market and focus on sustainability make him an invaluable asset to Burberry.

Experience
Antoine is CEO of Barry Callebaut, a Swiss listed company, which is the world’s largest supplier of chocolate and cocoa products. Prior to joining Barry Callebaut in 2015, Antoine held a number of senior executive positions at Unilever plc, including President of Unilever Foods and member of Unilever’s Group Executive Committee, Executive Vice President for Unilever Skin Category and Executive Vice President for Unilever’s Central and Eastern Europe region. From 2009 to 2020, he served as a Non-Executive Director of Essilor International, which prior to its merger with Luxottica Group Spa, was listed on Euronext Paris and included in the CAC40 index.

Gemma Parsons
Company Secretary
Appointed: 1 October 2018

Experience
Gemma is a fellow of the Chartered Governance Institute and has more than twenty five years’ company secretarial experience. Her previous roles include Company Secretary of The Berkeley Group Holdings plc, Deputy Company Secretary at TSB Banking Group plc and Deputy Company Secretary of Smith & Nephew plc. She is a member of the Chartered Governance Institute’s Company Secretaries’ Forum and of the Association of General Counsel and Company Secretaries of FTSE 100 companies.

Directors serving for part of FY 2020/21
Jeremy Darroch stepped down from the Board on 15 July 2020.
Adrian Ward-Rees and Leonie Brantberg joined the Executive Committee on 27 August 2020.

Judy Collinson, Chief Merchandising Officer, was a member of the Executive Committee until 1 October 2020.

Marco Gentile, President of Europe, Middle East, India and Africa, was a member of the Executive Committee until 31 July 2020.
UK Corporate Governance Code compliance
The 2018 UK Corporate Governance Code (the Code) sets out the framework of governance for premium listed companies within the UK. The Code is published by the Financial Reporting Council (FRC) and can be found on its website www.frc.org.uk. It enhances governance practices in relation to board leadership and company purpose, division of responsibilities, composition, succession and evaluation, audit, risk and internal control and remuneration. As a premium listed company, we describe in the Annual Report Burberry’s corporate governance from two points of view: the first dealing generally with the application of the Code’s main principles, and the second dealing specifically with non-compliance with any of the Code’s provisions.

Together with the Directors’ Remuneration Report on pages 180 to 203, this report sets out the Board’s approach to governance and the work undertaken during FY 2020/21. We have complied with the provisions of the Code during FY 2020/21 with the exception of Provision 38 to align Executive Directors’ pension payments with the wider workforce. This will be addressed by aligning the pension arrangements for our current Executive Directors with the maximum rate available to the majority of the UK workforce by 1 January 2023, as set out on page 186 of the Directors’ Remuneration Report. Any new Executive Directors would immediately align with the majority of the UK workforce. Further information on how the Company has applied the principles of the Code is set out in this Corporate Governance Statement. Key highlights of the Company’s compliance with the Code along with cross references to other sections of the Annual Report are detailed below.

Governance structure and division of responsibilities
The Board (supported by its Committees) is collectively responsible for how Burberry is directed and controlled. Its responsibilities include: promoting Burberry’s long-term success; setting its strategic aims and values; supporting leadership to put them into effect; supervising and constructively challenging leadership on the operational running of the business; ensuring a framework of prudent and effective controls; and reporting to shareholders on the Board’s stewardship.

More information on the Company’s governance structure can be found on page 163.

Stakeholder engagement
The Code introduced an increased emphasis on stakeholder engagement. In addition to the Global Workforce Advisory Forum, the Board recognises the importance of regular, open and constructive dialogue with shareholders throughout the year.

Our Investor Relations team participated in over 200 investor meetings and events during the financial year. Meetings were also held with a combination of our Chairman, the Chair of the Remuneration Committee, Executive Directors and other members of senior management, totalling over 70 meetings. This engagement included presentations to institutional shareholders and analysts following the release of the Group’s half- and full-year results (available on the Group’s website Burberryplc.com), as well as meetings with the Group’s 20 largest investors. Topics discussed in investor meetings included, but were not limited to governance topics including the 2020 Directors Remuneration Policy, luxury sector growth dynamics, the Group’s strategic plans, progress against our strategy, the impact of COVID-19 on our business and management actions to minimise its impact.

Our Investor Relations and Company Secretariat departments act as the centre for ongoing communication with shareholders, investors and analysts. The Board receives regular updates about the views of the Group’s major shareholders and stakeholders from these departments as well as via direct contact.

Diversity
At Burberry, we believe diversity, equity and inclusion are essential to fulfilling our purpose and are core to our values. Attracting and retaining diverse talent and fostering an inclusive culture enables us to be more creative in everything we do and to open spaces for our people, customers and communities. Further information on diversity and inclusion is set out on pages 69 to 72.

Information regarding how the Board engages with all our stakeholders is set out on pages 96 to 104.
The table below gives details of Directors’ attendance at Board and Committee meetings during the year ended 27 March 2021. This is expressed as the number of meetings attended out of the number that each Director was eligible to attend.

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<th>Board</th>
<th>Audit</th>
<th>Nomination</th>
<th>Remuneration</th>
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<td>Gerry Murphy</td>
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<td>Marco Gobbetti</td>
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<td>Julie Brown</td>
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<td>Dame Carolyn McCall</td>
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<td>Debra Lee</td>
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<td>Fabiola Arredondo</td>
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<td>Sam Fischer</td>
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<td>Matthew Key</td>
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<td>Orna NiChionna</td>
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<td>Ron Frasch¹</td>
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<td>Antoine de Saint-Affrique²</td>
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<td>Jeremy Darroch³</td>
<td>2/2</td>
<td>1/1</td>
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</table>

1. Ron Frasch was unable to attend the March Board and Committee meetings due to jury service.
2. Antoine de Saint-Affrique joined the Board on 1 January 2021.

The Board met formally six times during the financial year, including an in-depth two-day session on strategy. In addition, the Board met informally on a number of occasions to discuss the evolving COVID-19 pandemic and the actions being taken to minimise the impact on the Group’s people and business. All meetings were held virtually given the travel restrictions in place as a result of the COVID-19 pandemic. Throughout the year, Directors also devoted time to meet with investors, interview candidates for both executive and non-executive roles and attended shows, town halls, brand events and meetings of the Global Workforce Advisory Forum virtually.

The Board and Committee agendas were shaped to ensure that discussion was focused on our key strategies and responsibilities, as well as reviews of significant issues arising during the year, such as the global COVID-19 pandemic. The Group’s ongoing performance against the strategic priorities is reviewed at each scheduled meeting.
## Principal areas of focus for the Board during FY 2020/21

<table>
<thead>
<tr>
<th>Topic</th>
<th>Activity</th>
<th>Outcome</th>
<th>Relevant stakeholders and s.172 duties considered</th>
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<tbody>
<tr>
<td><strong>Strategy</strong></td>
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<tr>
<td><strong>Strategic review</strong></td>
<td>• Reviewing strategy to take stock of progress and prioritise areas of</td>
<td>• Providing feedback, questions and challenge throughout the process</td>
<td>Relevant stakeholders:</td>
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<tr>
<td></td>
<td>focus within the long-term strategic plan</td>
<td>• Support for the programmes undertaken</td>
<td>Customers</td>
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<td></td>
<td>• Assessing changes in the luxury market context in light of COVID-19</td>
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<td>Shareholders</td>
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<td></td>
<td>and implications on the strategic pillars and enablers</td>
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<td>People</td>
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<td></td>
<td>• Reviewing the supply chain priorities and plan for delivering product</td>
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<td>Partners</td>
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<td>strategy</td>
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<td>Communities</td>
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<td>• Reviewing the Distribution strategy</td>
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<td>s.172 duties:</td>
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<td>Long-term results; workforce; environment; reputation; and</td>
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<td>business relationships</td>
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<td><strong>Major projects</strong></td>
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<tr>
<td><strong>Withdrawal from the EU</strong></td>
<td>• Considering the short-term disruption and structural implications for</td>
<td>• Providing feedback and support for management's approach</td>
<td>Relevant stakeholders:</td>
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<td></td>
<td>the Company following the implementation of the EU-UK Trade and Cooperation Agreement, including the</td>
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<td>Shareholders</td>
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<td>mitigating actions being taken</td>
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<td>Governments</td>
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<td>s.172 duties:</td>
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<td>Long-term results; workforce; reputation; and business relationships</td>
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<tr>
<td><strong>COVID-19 pandemic</strong></td>
<td>• Assessing the impact of the COVID-19 pandemic on the Company's people, finances and future plans</td>
<td>• Refer to pages 56 and 57 for further detail</td>
<td>Relevant stakeholders:</td>
</tr>
<tr>
<td></td>
<td>• Considering and approving Burberry’s response to the pandemic across all areas of the business</td>
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<td>People</td>
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<tr>
<td><strong>Finance</strong></td>
<td><strong>Budget and capital allocation</strong></td>
<td>• Approving the FY 2020/21 baseline business plan&lt;br&gt;• Considering capital structure, distributions and liquidity in the context of COVID-19&lt;br&gt;• Scrutinising financial performance&lt;br&gt;• Reviewing the quarterly financial results&lt;br&gt;• Reviewing FY 2021/22 budget scenarios and three-year forward plan&lt;br&gt;• Reviewing and approving capital expenditure projects</td>
<td>• Approval of Sustainability Bond&lt;br&gt;• Decision not to pay dividend for FY 2019/20&lt;br&gt;• Support in principle for the FY 2021/22 budget&lt;br&gt;• Prior year (March and May 2020) baseline business plan delivered</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>s.172 duties:</strong> Long-term results; workforce; and fairness between our shareholders</td>
</tr>
<tr>
<td><strong>Governance</strong></td>
<td><strong>Purpose</strong></td>
<td>• Considering the approach to embedding our purpose and values</td>
<td>• Endorsing management’s approach</td>
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<td></td>
<td></td>
<td></td>
<td><strong>s.172 duties:</strong> Long-term results; workforce; and reputation</td>
</tr>
<tr>
<td><strong>Board evaluation</strong></td>
<td>• Progress update against FY 2019/20 areas of focus&lt;br&gt;• Discussing the results of the FY 2020/21 Board evaluation and reflecting on the effectiveness of the Board and its Committees</td>
<td>• Refer to pages 166 and 167 covering the Board evaluation for further detail</td>
<td><strong>Relevant stakeholders:</strong> People&lt;br&gt;<strong>Shareholders:</strong> Shareholders&lt;br&gt;<strong>Customer:</strong> Customers</td>
</tr>
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<td></td>
<td></td>
<td></td>
<td><strong>s.172 duties:</strong> Long-term results; workforce; and reputation</td>
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<tr>
<td>Topic</td>
<td>Activity</td>
<td>Outcome</td>
<td>Relevant stakeholders and s.172 duties considered</td>
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<tr>
<td><strong>Risk</strong></td>
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<tr>
<td>Risk appetite</td>
<td>• Considering the Board’s appetite for risk</td>
<td>• Approval of the Group’s risk appetite</td>
<td>Relevant stakeholders: People, Shareholders, Communities, Customers</td>
</tr>
<tr>
<td></td>
<td>• Considering emerging and principal risks including changes to the risk profile</td>
<td>• Refer to the Risk and Viability Report on pages 106 to 142 for further detail</td>
<td><strong>s.172 duties:</strong> Long-term results; and reputation</td>
</tr>
<tr>
<td></td>
<td>• Reviewing strategic execution risks resulting from COVID-19 and the UK’s withdrawal from the EU</td>
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<tr>
<td>Risk deep dives</td>
<td>• Reviewing China market context</td>
<td>• Support for the programme to be undertaken</td>
<td>Relevant stakeholders: People, Shareholders</td>
</tr>
<tr>
<td></td>
<td>• Risk reviews of cybersecurity and fraud risk and the impact of climate-related risks and opportunities by the Audit Committee</td>
<td></td>
<td><strong>s.172 duties:</strong> Long-term results; and reputation</td>
</tr>
<tr>
<td>People, culture and values</td>
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<tr>
<td>Culture and engagement</td>
<td>• Discussing the results of the Employee Engagement Survey, including trends, and receiving feedback following Global Workforce Advisory Forum meetings</td>
<td>• Support for management’s action planning activity</td>
<td>Relevant stakeholders: People, Shareholders, Communities, Customers, Partners, Governments</td>
</tr>
<tr>
<td></td>
<td>• Reviewing ways of enhancing the Board’s monitoring of Company culture</td>
<td>• Agreeing a dashboard to support the Board’s monitoring of Company culture for use in FY 2021/22</td>
<td><strong>s.172 duties:</strong> Long-term results; workforce; environment; reputation; and business relationships</td>
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<tr>
<td>Topic</td>
<td>Activity</td>
<td>Outcome</td>
<td>Relevant stakeholders and s.172 duties considered</td>
</tr>
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</table>
| People, culture and values | Diversity and Inclusion | • Discussing the Group’s Diversity and Inclusion strategy and receiving progress updates on the agreed commitments  
• Reviewing the Code of Conduct to ensure alignment with the Company’s purpose, values and culture | • Providing feedback and support for management’s approach  
• Support for updated Code of Conduct (subsequently approved in May 2021) | Relevant stakeholders:  
People  
Shareholders  
Communities  
Customers  
Partners  
Governments  

s.172 duties:  
Long-term results; workforce; environment; reputation; and business relationships |
| Responsibility | • Discussing the Community Investment strategy for FY 2020/21  
• Considering the strategies implemented to minimise the impact of COVID-19 on our people and communities  
• Reviewing and approving the Company’s Modern Slavery Statement | • Approval in July 2020 to donate £3.5 million of FY 2019/20 adjusted profit before tax to social and community causes worldwide during FY 2020/21  
• Endorsing the Group’s response to the COVID-19 pandemic | Relevant stakeholders:  
People  
Shareholders  
Communities  
Customers  
Partners  
Governments |
| Shareholder engagement | Shareholder feedback, including activist themes | • Reviewing updates from the Investor Relations team on share price performance, register activity and analyst sentiment  
• Discussing specific issues raised by shareholders | • Inclusion of shareholder themes within the Board’s strategic and/or other considerations | Relevant stakeholders:  
Shareholders  

s.172 duties:  
Long-term results; workforce; environment; reputation; and business relationships |
| | | | |
Managing conflicts of interest
All Directors have a duty under the Companies Act 2006 to avoid a situation in which they have, or could have, a direct or indirect conflict of interest or possible conflict of interest with the Company and/or the Group.

Under the Company’s Articles of Association, the Board has the authority to approve situational conflicts of interest. It has adopted procedures to manage and, where appropriate, approve such conflicts. Authorisations granted by the Board are recorded by the Company Secretary in a register and are noted by the Board at its next meeting. A review of situational conflicts that have been authorised is undertaken by the Board annually.

Following the last review, the Board concluded that the potential conflicts had been appropriately authorised, no circumstances existed which would necessitate that any prior authorisation be revoked or amended, and the authorisation process continued to operate effectively.

Productivity
The Company continues to demonstrate and develop improving levels of productivity, owing to strong human capital, training and development programmes, and focus on elevating the customer experience throughout our distribution and retail networks. Further information about these aspects of the business is provided on pages 26, 27, 32 and 68.

Other governance disclosures
The Group is committed to acting with integrity and transparency on all tax matters and complying fully with the letter and spirit of the relevant tax law. The Group will only engage in responsible tax planning aligned with our commercial and economic activity. We will not use tax structures or undertake artificial transactions, the sole purpose of which is to create a contrived tax result. For example, we exclude transactions with parties based in tax haven jurisdictions when the transactions are not in the ordinary course of Group trading business or which could be perceived as artificially transferring value to low tax jurisdictions. We are also committed to engaging in open and constructive relationships with tax authorities in the territories in which we operate. The Group Tax strategy directs our tax planning, reporting and compliance activities and is aligned with the Group’s strategic objectives. Further information regarding the Group Tax strategy is provided on Burberryplc.com.

Tax governance framework
Our CO&FO is responsible for the Group Tax strategy, the effectiveness of corporate tax processes and transparency of disclosures. The Group Tax strategy is implemented by the global tax and trade compliance teams with the assistance of the finance leadership team. Compliance with the Group Tax strategy is reviewed on an ongoing basis as part of the regular financial planning cycle. The Group’s tax status is reported regularly to the Audit Committee. The Audit Committee is responsible for reviewing the Group Tax strategy at least once a year and significant tax matters as they arise.

Share capital
Further information about the Company’s share capital, including substantial shareholdings, can be found in the Directors’ Report on page 204.
GOVERNANCE STRUCTURE AND DIVISION OF RESPONSIBILITIES

The Board is responsible for supporting management in its strategic aims, which enable the Company to continue to perform successfully and sustainably for our shareholders and wider stakeholders. The Board is supported in its activities by the Audit Committee, the Nomination Committee and the Remuneration Committee. The terms of reference for each of these Committees can be viewed in the Corporate Governance section of Burberryplc.com. The table on page 163 demonstrates our governance structure.

The Committees may engage third-party consultants and independent professional advisors. They may also call upon other Group resources to assist them in discharging their respective responsibilities. In addition to the Committee members and the Company Secretary, external advisors and, on occasion, other Directors and members of our senior management team attend Committee meetings at the invitation of the Chair of the relevant Committee.

Board roles
Our Board currently consists of 11 members, the Chairman, CEO, CO&FO, and eight Independent Non-Executive Directors who are experienced and influential individuals, drawn from a wide range of industries and backgrounds with the right skills to promote the long-term sustainable success of the Group. The Board has determined that all Non-Executive Directors are independent and the Chairman was also considered to be independent on appointment.

Directors’ biographies, tenures, key skills and external appointments are set out on pages 148 to 151.

All Directors are appointed to the Board for an initial fixed three-year term, subject to annual re-election by shareholders at the Company’s AGM. In accordance with the Code, at the 2021 AGM the Chairman and all Directors will retire and offer themselves for re-election. Antoine de Saint-Affrique, having joined the Board on 1 January 2021, will offer himself for election.

To ensure the Board performs effectively, there is a clear division of responsibilities between the leadership of the Board and the executive leadership of the business as set out below.

Our Chairman
• Chairing Board meetings, Nomination Committee meetings and the AGM, and setting the Board agenda
• Ensuring there is effective communication between the Board, management, shareholders and the Group’s wider stakeholders, while promoting a culture of openness and constructive debate
• Ensuring Directors receive accurate, timely and clear information
• Overseeing the annual Board evaluation and addressing any subsequent actions
• Promoting the highest standards of corporate governance
• Ensuring the views of stakeholders are taken into account when making decisions
• A full description of the Chairman’s role and responsibilities can be found in the Corporate Governance section of the Group’s website Burberryplc.com
The Board is responsible for promoting Burberry’s long-term success. This is achieved through effective governance and keeping the interests of stakeholders at the fore when making decisions. The Board provides leadership by establishing the Group’s purpose and values and setting the Group’s strategy, ensuring alignment with our culture and overseeing its implementation by management.

The Board is also responsible for oversight of the Group’s governance, internal control and risk management, including the Group’s risk appetite. A full schedule of matters reserved for the Board’s decision is available in the Corporate Governance section of Burberryplc.com.

The Board has established Committees to assist with exercising its authority.

**Audit Committee**

Chaired by Matthew Key

Responsible for monitoring the integrity of Financial Statements and reviewing the Group’s internal financial controls and risk management systems, the Internal Audit function, and the Group’s relationship with the external auditor. The Audit Committee is supported by the Ethics Committee and the Risk Committee.

The Audit Committee Report can be read on pages 173 to 179.

**Remuneration Committee**

Chaired by Orna NiChionna

Determines the policy for Executive Director remuneration and sets the remuneration for the Chairman, Executive Directors and senior management.

Oversight of wider employee reward policies.

The Directors’ Remuneration Report can be read on pages 180 to 203.

**Nomination Committee**

Chaired by Gerry Murphy

Reviews the composition of the Board, ensuring plans are in place for orderly succession for both Board and senior leadership positions, keeping in mind the importance of diversity in all its forms and balancing skills and experience when making appointments.

The Nomination Committee Report can be read on pages 168 to 171.

**CEO and Executive Committee**

The Board delegates the day-to-day responsibility for running the Group to the CEO, who is responsible for all commercial, operational, risk and financial elements. The CEO is also responsible for management and development of the strategic direction of the Group for consideration and approval by the Board. The Executive Committee assists the CEO to implement the strategy as approved by the Board.
Our Senior Independent Director

- Acting as a sounding board for the Chairman
- Acting as an intermediary for the other Directors, where necessary
- Chairing meetings in the absence of the Chairman
- Being available to shareholders and stakeholders if they have any concerns which they have been unable to resolve through normal channels
- Together with the Non-Executive Directors, assessing the performance of the Chairman on an annual basis
- Leading the search and appointment process and recommendation to the Board of a new Chairman, if necessary
- A full description of the Senior Independent Director’s role and responsibilities can be found in the Corporate Governance section of the Group’s website Burberryplc.com

Our Non-Executive Directors

- Providing effective and constructive challenge to the Board and scrutinising the performance of management
- Assisting in the development and approval of the Group’s strategy
- Reviewing Group financial information and ensuring there are effective systems of governance, risk management and internal controls in place
- Ensuring there is regular, open and constructive dialogue with shareholders

Our CEO

- Day-to-day management of the Group
- Responsible for all commercial, operational, risk and financial elements of the Group
- Developing the Group’s strategic direction and implementing the agreed strategy
- Ensuring effective communication and information flows to the Board and the Chairman
- Representing the Group to external stakeholders
- Responsible for the oversight of the following key functions: Design, Marketing, Digital, Merchandising, Supply Chain, Corporate Affairs, Human Resources, Responsibility, Strategy and Global Commercial
- Responsible for oversight of climate change agenda
- A full description of the CEO’s role and responsibilities can be found in the Corporate Governance section of the Group’s website Burberryplc.com

Our CO&FO

- Supporting the CEO in developing the Group’s strategy and its implementation
- Overseeing the global Finance and Business Services functions and developing the Group’s capital allocation framework
- Responsible for establishing financial planning and maintaining adequate internal controls over financial reporting
- Representing the Group to external stakeholders
- Responsible for the oversight of the following key functions: Investor Relations, Internal Audit and Risk Management, Business Continuity, Burberry Business Services, Finance, IT, Tax, Treasury and Trade Compliance

Our Company Secretary

- Providing advice and support to the Chairman and all Directors
- Ensuring the Board receives high-quality information and resources in a timely manner so that the Board can operate effectively at meetings
- Assisting in setting the agenda for Board and Committee meetings
- Advising and keeping the Board up to date with all matters of Corporate Governance
- Facilitating the induction programme for new Directors and, together with the Chairman, assessing ongoing training needs for all Directors

External directorships

Our Board’s Executive Directors are permitted to hold one external non-executive directorship. Details of the Directors’ other directorships can be found in their biographies on pages 148 to 151.

Time allocation

Each of our Non-Executive Directors has a letter of appointment, which sets out the terms and conditions of his or her directorship. The Non-Executive Directors are expected to devote the time necessary to perform their duties properly. This is expected to be approximately 20 days each year for basic duties.

The Chairman and Senior Independent Director are expected to spend additional time over and above this to carry out their extra responsibilities. The Chairman, Senior Independent Director and CEO also have clearly defined responsibilities, which delineate the scope of their roles. A full description of these roles can be found in the Corporate Governance section of the Group’s website Burberryplc.com. The Board has noted changes to Non-Executive Directors’ external appointments during the year and confirms that they were not
perceived to impact their independence or responsibilities to the Company. The Board considers that the Chairman and all Non-Executive Directors have fulfilled their required time commitments during FY 2020/21.

**Information flow and professional development**

Our Chairman works closely with the Company Secretary in the planning of agendas and scheduling of Board and Committee meetings. Together, they ensure that information is made available to Board members on a timely basis and is of a quality appropriate to enable the Board to effectively carry out its duties.

The Board is kept up to date on legal, regulatory, compliance and governance matters through advice and regular papers from the General Counsel, the Company Secretary and other advisors.

In addition, Executive Committee members and other senior managers are invited, as appropriate, to Board and strategy meetings to make presentations on their areas of responsibility. Regular attendees at Committee meetings included the CEO, the Chief People Officer and the Company Secretary.

**Induction, training and business engagement**

The Company Secretary assists the Chairman in designing and facilitating a formal induction programme for new Directors and their ongoing training. Each newly appointed Director receives a formal and tailored induction programme to enable them to function effectively as quickly as possible, while building a deep understanding of the business. Each induction typically consists of meetings with both Executive and Non-Executive Directors and briefings from senior managers across our key business areas and operations. In addition, Non-Executive Directors are provided with opportunities to visit key stores, markets and facilities. This includes visits to our various operating facilities in the UK. The Chairman considers the training needs of individual Directors on an ongoing basis. Following the initial induction for Non-Executive Directors, an understanding of the business is developed through ongoing meetings and engagements as appropriate.

Details of the induction programme implemented for Antoine de Saint-Affrique are set out below. Due to the current travel restrictions all meetings were held virtually.

- One-to-one meetings with senior executives to understand their roles at Burberry
- Meetings with external advisors, for example, our external auditor Ernst & Young LLP (EY)
- Assignment of a Board “buddy” to provide additional support while the Director gets to know Burberry and understand our ways of working

Visits to key stores and sites will be arranged once restrictions are lifted providing the opportunity for Antoine to meet colleagues in person and familiarise himself with our product and our brand.

The Board has direct access to the advice and services of the Company Secretary. The appointment and removal of the Company Secretary is a matter reserved for the Board as a whole. To carry out their duties, Directors may also obtain independent professional advice, if necessary, at the Group’s expense.
Evaluating our performance in FY 2020/21

The Board undertakes a formal review of its performance and that of its Committees each financial year and the evaluation is externally facilitated every three years.

This year’s self-assessment of the Board’s and Committees’ effectiveness was conducted in conjunction with Independent Audit Limited, which has no other connection with the Company. The process included a briefing with the Chairman, Audit and Remuneration Committee Chairs and the Company Secretary. Following these briefing sessions, online questionnaires were adapted for Burberry using Thinking Board, Independent Audit’s online questionnaire tool. Views were sought on a number of topics including Board composition, purpose and values, strategy, risk management, financial reporting and controls and environmental, social and governance considerations. The questionnaires were completed confidentially by Directors and members of the senior management team who regularly attend Committee meetings. Independent Audit collated and analysed the responses which were reported without attribution.

Detailed reports were received by the Chairman and Chairs of the Audit, Nomination and Remuneration Committees and were discussed by the full Board in March 2021. In discussion, the Board concluded that the Board and its Committees continue to operate effectively within a transparent and trusting environment. The Board considered itself to have a good breadth of skills and experience to enable it to effectively support and challenge the business. The Board also felt it had adapted well to the challenges brought about by the COVID-19 pandemic.

The following areas for development and action have been agreed by the Board and progress will be monitored during the year:

**Purpose, ambition and branding**
- Continued focus on clearly articulating Burberry’s purpose, ambition and brand vision in a coherent and consistent manner across all corporate communications, both internal and external

**Talent and succession planning**
- Continued focus on management development and developing further bench strength as part of the executive succession planning programme, particularly at Executive Committee and level below

**Strategy**
- Re-energising the Board’s focus on emerging technology, including understanding the risks and opportunities new technology brings
- Considering ways to deepen the Board’s understanding of the competitive environment, including independent expert views of the performance of Burberry and key competitors in navigating industry and consumer megatrends

**Environmental, Social and Governance**
- Increasing the Board’s oversight of environmental and social matters to reflect the increasing importance of these topics to the Group and society as a whole, with particular focus on diversity and inclusion and sustainability
Progress update on focus areas identified following the FY 2019/20 Board evaluation

<table>
<thead>
<tr>
<th>Action, culture, values and behaviours</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Continued focus on embedding Burberry’s culture, values and behaviours</td>
<td>The Board received updates in May and October 2020 in relation to the launch of Burberry’s purpose and values and the internal and external proof points, which reinforce the messaging</td>
</tr>
<tr>
<td>• Considering ways to enhance the Board’s monitoring of corporate culture</td>
<td>A dashboard has been created to bring together a number of relevant metrics to enhance and support the Board’s monitoring of the Company’s culture which will be implemented in FY 2021/22</td>
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</table>

| People |
|--------------------------------------|----------|
| • Continued focus on executive succession planning, including in relation to key person risks | The Chief People Officer has continued to lead work to evolve the approach to identifying and developing high-potential talent. This involved the launch of a new assessment framework with the Executive Committee and the evolution of the leadership development programmes and experiences to incorporate purpose and values |
| • Increasing the Board’s interaction with executives and high performers | The COVID-19 environment meant face-to-face interaction was difficult during FY 2020/21. However, opportunities were taken where possible to involve executives and high performers in Board and Committee presentations |

| Strategy |
|--------------------------------------|----------|
| • Increased Board focus on operating performance and the risk implications of strategic decisions | The Board received updates on key risk factors and trends and the risks associated with the strategic plans. In addition, the Board discussed the strategic implications of the UK’s withdrawal from the EU and the actions being taken to mitigate the risks |
| • Improving the Board’s understanding of key competitors and markets | The Board received updates on key competitors and markets as part of the strategy meetings |

| Board processes |
|--------------------------------------|----------|
| • Review Board agendas and materials in order to maximise the time available for discussion and debate at meetings | New guidelines have been implemented to enable more time for discussion and debate at meetings |

The Board is satisfied that all its Non-Executive Directors bring robust, independent oversight and continue to remain independent.
REPORT OF THE NOMINATION COMMITTEE

"SUCESSION PLANNING FOR THE BOARD AND SENIOR LEADERSHIP POSITIONS IS A KEY FOCUS FOR THE COMMITTEE."

Gerry Murphy
Chair, Nomination Committee

Nomination Committee membership
All Non-Executive Directors serve as members of the Committee under the leadership of Gerry Murphy as Chair. With the exception of Jeremy Darroch, who stepped down from the Board on 15 July 2020, and Antoine de Saint-Affrique, who was appointed to the Board on 1 January 2021, all Non-Executive Directors served as members of the Committee throughout the year ended 27 March 2021.

Meetings and attendance
The Committee met virtually three times during the year and, with the exception of one meeting, all members attended all meetings. If Directors are unable to attend a meeting, they are given the opportunity to discuss the agenda items with the Committee Chair in advance of the meeting. In addition to Committee members, meetings are regularly attended by the Company Secretary, Chief Executive Officer and Chief People Officer.

Role of the Committee
The Committee’s role includes reviewing the composition of the Board and ensuring there is a formal, rigorous and transparent procedure for the appointment of new Directors. It also assists with succession planning for senior leadership positions.

Areas of focus in FY 2020/21
The following matters were considered during the year:

- Reviewing the composition, size, skills and diversity of the Board and its Committees
- Agreeing the recruitment process for Non-Executive Directors and recommending the appointment of Antoine de Saint-Affrique to the Board
- Considering the independence and time commitments of Non-Executive Directors
- Reviewing talent and succession planning for senior management
- Updating the Board composition and diversity principles
- Recommending that the Board support the election or re-election of all Directors at the 2021 AGM
- Reviewing the Committee’s terms of reference and overall effectiveness

Full details of the Committee’s role and responsibilities are set out in its terms of reference, which are available on the Company’s website, Burberryplc.com.
A highly skilled and balanced Board

Gender
- Men: 45%
- Women: 55%

Tenure
- 0-3 years: 27%
- 3-6 years: 27%
- 6+ years: 46%

Nationality
- British: 27.5%
- American: 27.5%
- Irish: 18%
- French: 9%
- Italian: 9%
- Australian: 9%

Gender
- Men: 55%
- Women: 45%

Tenure
- 0-3 years: 45%
- 3-6 years: 27%
- 6+ years: 27%

Nationality
- British: 27.5%
- American: 27.5%
- Irish: 18%
- French: 9%
- Italian: 9%
- Australian: 9%

Board skills

Key skills
- Retail, sales and marketing: 90%
  - 10 Directors
- Luxury goods: 45%
  - 5 Directors
- Operational excellence: 90%
  - 10 Directors
- Digital and media: 45%
  - 5 Directors
- Sustainability: 45%
  - 5 Directors
Board succession planning
We believe that diverse Boards with appropriate competencies and values are better Boards. Board succession planning is focused on ensuring the Board has the right mix of skills, experience, diversity and tenure. In line with the Board’s composition and diversity principles, all new Board appointments will be made on merit and will:

- Have experience and insights relevant to the Group’s strategic priorities
- Be compatible with Burberry’s culture and values and embrace its purpose
- Promote diversity, including in terms of gender, social and ethnic backgrounds, cognitive and personal strengths

Diversity
We believe that a diverse workforce not only encourages better performance, but also creates a more inclusive working environment with more engaged colleagues. We champion the development of everyone at Burberry and ensure that our people of all backgrounds are treated equally.

As for Board-level diversity, we are proud that Burberry exceeded the targets set by the Hampton-Alexander Review. At the end of the review period 45.5% of Board members were women and 50.4% of the combined Executive Committee and Direct Reports were women as detailed in the final report of the Hampton-Alexander Review. A table setting out the representation of women in the workplace is on page 72. We are supportive of the Parker Review, which aims to encourage greater ethnic diversity on UK boards, and are pleased to report that we are in line with the Parker Review report’s recommendation.

The Committee considers the importance of diversity when suggesting new appointments to the Board, particularly with regard to gender, ethnicity and social backgrounds. In accordance with the Board’s composition and diversity principles, we are committed to ensuring women make up at least one-third of our Board and at least one Board member is from an ethnic minority background while continuing to ensure candidates are selected based on their merit and wide-ranging experience, backgrounds, knowledge, insights and skills.

More information on diversity and inclusion can be found on pages 69 to 72.

Board and Committee changes
During the year, the Committee continued to focus on the evolution of the Board, identifying a need for an additional Non-Executive Director who would deepen the Board’s collective experience in managing global consumer companies and enhance the Board’s understanding of sustainability matters. The Committee developed a candidate profile, which was in line with the Board’s composition and diversity principles and would complement the needs of the business and the Board as a whole. The specialist search firm MWM Consulting was engaged to assist and advise the Committee with its search. MWM Consulting was not engaged by the Company for any other purpose during FY 2020/21.

Having considered the shortlist of candidates and interviewed the preferred candidates, the Committee recommended the appointment of Antoine de Saint-Affrique to the Board for approval. The Committee further recommended that, on appointment to the Board, Antoine be appointed as a member of the Audit and Nomination Committees.

Further information on Antoine de Saint-Affrique’s induction programme can be found on page 165 and his biographical details are on page 151.
Annual re-election of Directors
As required by the Code, Directors offer themselves for annual re-election. The Committee considered the annual re-election of Directors at the AGM based on Director performance, independence, time commitments and tenure. As part of this process, the Committee also assessed the external commitments of each Board member to ensure they have the time to properly fulfil their responsibilities as Directors of Burberry. The Committee recommended that all Directors stand for re-election or election at this year’s AGM.

Senior management talent and succession planning
Talent and succession planning has continued to be a key area of focus for the Committee. During the year, the Committee received updates from the CEO, supported by the Chief People Officer, on a new talent management framework and the evolution of our leadership development programmes to better reflect Burberry’s purpose and values. The Committee also reviewed the talent pipelines for the Executive Committee and other key roles.

Board and Committee effectiveness
As part of the annual Board evaluation, all members of the Nomination Committee participated in an evaluation of the Committee’s performance. The evaluation concluded that the Committee operates well and continues to provide effective support to the Board. Further details of the evaluation can be found on pages 166 to 167.
Dear Shareholder,

I am pleased to present the FY 2020/21 report of the Audit Committee. The purpose of this report is to describe how we carried out our responsibilities during the year.

The role of the Audit Committee is to monitor and review the integrity of financial information and to provide assurance to the Board that the Group’s internal controls and risk management processes are appropriate and regularly reviewed. We also oversee the work of the external auditor, approve their remuneration and recommend their appointment. In addition to the disclosure requirements relating to Audit Committees under the Code, the Committee’s report sets out areas of significant and particular focus for the Committee.

During FY 2020/21, monitoring and assessing the impact of COVID-19 continued to be a key area of focus for the Committee. Further information is provided in the significant matters set out in the table on pages 175 to 176. The Committee received papers from management detailing its approach and recommendations with respect to relevant estimates and financial judgements.

The Committee reviewed and challenged management’s approach, analysis and recommendations, seeking assistance from the Group Internal Audit team to provide assurance and taking into account input from the external auditor in order to conclude on the appropriateness of the treatment in the Financial Statements. All matters reviewed were concluded to the satisfaction of the Committee.

In addition we continued to focus on the Group’s risk management with in-depth reviews of the finance and HR transformation programmes, fraud risk and the store investment appraisal methodology.

We have also monitored the transition of the Group external audit to Ernst & Young LLP (EY) who have commenced their first year as the Company’s external auditor. Details of how the Audit Committee has monitored EY’s first year of audit are available on page 177.

During the year, the Group received a letter from the Conduct Committee of the FRC, relating to their review of the Group’s 2019/20 Annual Report. The letter did not raise any questions or queries but did note some
suggestions for improvement to disclosures, for future reporting. The Directors and the Committee have considered the suggestions made in the letter and have made enhancements to disclosures in this year's Annual Report in all the areas suggested. The review of the FY 2019/20 Annual Report by the FRC does not provide any additional assurance regarding its accuracy and the FRC does not accept any liability in relation to their review.

The Committee confirms that, during FY 2020/21, the Group complied with the mandatory audit processes and Audit Committee responsibilities provisions of the Competition and Markets Authority Statutory Audit Services Order 2014. This report describes the work of the Committee in discharging its responsibilities.

The Committee has an open and constructive relationship with management. I thank the management team on behalf of the Committee for its assistance during the year. I am confident that the Committee has carried out its duties in the year effectively and to a high standard.

Matthew Key
Chair, Audit Committee

Audit Committee membership
Matthew Key, Debra Lee, Ron Frasch and Dame Carolyn McCall served as members of the Committee throughout the year ended 27 March 2021. Antoine de Saint-Affrique was appointed as a member of the Committee on 1 January 2021.

The Committee met formally four times during the year and, with the exception of one meeting, all members attended all scheduled meetings (see table on page 155). Where members were unable to attend, they provided feedback to the Chair on the matters to be discussed in advance of the meetings. In addition to the scheduled meetings, Committee members also attended additional ad hoc meetings as required.

The Chair of the Committee met separately with representatives of the external auditor, senior members of the finance function and the Senior Vice President, Internal Audit and Risk on a regular basis, including prior to each meeting. In addition, he met with members of the Group Internal Audit team and other members of management on an ad hoc basis as required to fulfil his duties.

Regular attendees at Committee meetings include: the Chairman of the Board; CEO; CO&FO; Chief People Officer; Company Secretary; Senior Vice President, Internal Audit and Risk; Senior Vice President, Group Finance; Vice President, Group Financial Controller; General Counsel, and representatives of the external auditor. At the end of each meeting the Committee held closed meetings with the external auditor and with the Senior Vice President, Internal Audit and Risk without management being present.

The Board is satisfied that Matthew Key has recent and relevant financial experience, and that all other Committee members have past employment experience in either finance or accounting roles, or broad consumer experience and knowledge of financial reporting and/or international businesses. As a whole, the Board is satisfied that the Audit Committee has competence relevant to the business sector. The biographies set out on pages 148 to 151 provide details of each member’s background and experience.
Role of Committee
The main roles and responsibilities of the Committee are set out in written terms of reference, which are available on the Company’s website, Burberryplc.com. The Committee reviews its terms of reference annually and, in light of its key responsibilities, the Committee considered the following items of usual business during the financial year:

- Financial reports: the integrity of the Group’s Financial Statements and formal announcements of the Group’s performance
- Risk and internal controls: the Group’s internal financial, operational and compliance controls and risk identification and management processes. Review of Group policies for identifying and assessing risks and arrangements for employees to raise concerns (in confidence) about possible improprieties
- Viability: consideration of the Group’s Viability Statement as set out on pages 140 to 142.

Significant matters for the year ended 27 March 2021

<table>
<thead>
<tr>
<th>Impairment assessment of goodwill</th>
<th>How the Audit Committee addressed these matters</th>
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<tbody>
<tr>
<td>The Committee considered management’s assessment of the recoverability of the carrying value of goodwill. Given the current uncertainty over future performance, which will depend on the path of recovery from COVID-19, the Committee considered management’s estimate of the value in use of those cash generating units containing goodwill under a range of potential outcomes over the next few years. The Committee also reviewed management’s proposed disclosures regarding impairment assessments of goodwill. The Committee approved management’s view that, as the estimated recoverable amount of goodwill exceeded the carrying value, no impairment was measured. The results of the impairment assessment of goodwill are set out in note 12 of the Financial Statements.</td>
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<table>
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<tr>
<th>Impairment assessment of property, plant and equipment and right-of-use assets held in retail cash generating units</th>
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<tr>
<td>The Committee considered management’s assessment of the recoverability of the carrying value of assets held in retail cash generating units, including property, plant and equipment and right-of-use assets relating to store leases. The Committee considered the approach applied by management to update assessments of previously impaired cash generating units and their review for potential indicators of impairment for other retail cash generating units. Given the current uncertainty over future store performance, which will depend on the path of recovery from COVID-19, the Committee reviewed management’s proposed disclosures relating to sensitivities of estimates to take account of these uncertainties. The results of the impairment assessment of assets held in retail cash generating units, together with related sensitivities, are set out in note 13 of the Financial Statements.</td>
<td></td>
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### Significant matters for the year ended 27 March 2021
How the Audit Committee addressed these matters

| **The recoverability of the cost of inventory and the resulting amount of provisioning required** | The Committee considered the Group’s current provisioning policy, the expected loss rates on inventory held at the balance sheet date and the nature and condition of current inventory. In particular, the Committee considered management’s assumptions regarding the usage of inventory relating to the recent seasons, which have been most impacted by COVID-19. The review included analysis of actual inventory usage compared to assumptions made at March and September 2020 and the resulting revision to assumptions regarding expected exit routes for the remaining surplus inventory held at the balance sheet date. Movements in inventory provisioning and the related sensitivities are set out in note 17 of the Financial Statements. |
| **Income and deferred taxes** | The Committee reviewed the Group Tax strategy, developments relating to discussions with tax authorities, the status of any ongoing tax audits, and their impact on the Financial Statements. The Committee reviewed and challenged the appropriateness of assumptions and estimates applied in order to estimate the amount of assets and liabilities to be recognised in relation to uncertain income tax and deferred tax positions and the disclosure of any significant estimates applied to tax balances. The Committee concluded that the assets and liabilities recognised and disclosures contained in the Financial Statements for the period were appropriate. Details of movements in tax balances are set out in notes 9 and 15 of the Financial Statements and further disclosure of tax contingent liabilities is given in note 33. |
| **Fair, balanced and understandable reporting** | The Committee considered the Annual Report and Interim Report, on behalf of the Board, to ensure that they were fair, balanced and understandable, in accordance with the requirements of the UK Corporate Governance Code. The Committee paid particular attention to the approach taken by management to separate presentation of any items relating to the impact of COVID-19 including impairments of assets or reversal of previous impairments which were separately presented and the recognition of income directly relating to COVID-19, together with the disclosure of the basis of the treatment applied. The Committee reviewed the report from the Strategic Report drafting team, comments arising from the review of the Financial Statements by the Executive Directors and comments raised by the Group’s auditors. The Committee also considered the use of alternative performance measures by the Group, including the appropriateness of their current use and their disclosure in the Financial Statements and Strategic Report. The Committee concluded that their current use was fair, balanced and understandable. |
| **Other matters** | At the May and November meetings, the Committee also considered management’s papers on other subjects, including the recognition and measurement of adjusting items for restructuring costs, significant judgements relating to lease term and impairment of receivables. |
External auditor
Following a competitive tender carried out in 2018 and their appointment at the Annual General Meeting on 15 July 2020, EY commenced their first year of audit in FY 2020/21. The Audit Committee oversees the work undertaken by EY and in FY 2020/21 the Committee monitored activities including reviewing:
• The audit plan, including scope and materiality
• The approach to risk assessment
• The approach to auditing controls
• Reports at interim and full year

During the year, the Committee met with the external auditor without members of management being present.

Appointment and fees
One of the Committee's primary responsibilities is to make a recommendation on the appointment, reappointment and removal of the external auditor. Every year, the Committee assesses the qualifications, expertise, resources and independence of the external auditor, and the effectiveness of the previous audit process. Over the course of the year, the Committee reviewed the audit process and the quality and experience of the audit partners engaged in the audit to satisfy itself that it received the highest quality audit possible. To support its assessment, a survey was sent to the Audit Committee Chair, key members of the Finance team and other members of the senior management team as part of the year-end processes seeking feedback on the effectiveness of the external audit process. The survey results concluded that the external audit process was considered to be effective. A further review of the external audit process will be conducted later in the year following completion of EY's first audit. The Committee also reviewed the proposed audit fee and terms of engagement for FY 2020/21. Details of the fees paid to the external auditor during the financial year can be found in note 7 to the Financial Statements.

Non-audit services
The Committee recognises that the independence of the external auditor is an essential part of the audit framework and the assurance that it provides. In line with the Revised Ethical Standard issued by the FRC in December 2019, the Committee has adopted a policy, which sets out a framework for determining whether it is appropriate to engage the Group's auditor for non-audit services and pre-approving non-audit fees.

The overall objective is to ensure that the provision of non-audit services does not impair the external auditor's independence or objectivity. This includes, but is not limited to, assessing:
• Any threats to independence and objectivity resulting from the provision of such services; any safeguards in place to eliminate or reduce these threats to a level where they would not compromise the auditor's independence and objectivity; the nature of the non-audit services; and whether the skills and experience of the audit firm make it the most suitable supplier of the non-audit service
• The value of non-audit services that can be billed by the external auditor is restricted by a cap, which is set at 70% of the average audit fees for the preceding three years as defined by the FRC

During FY 2020/21 the non-audit services provided by Burberry's external auditor did not exceed this cap.

Proposed fees above £50,000 are approved by the Chair of the Audit Committee. Non-audit services with a value below £50,000 and which are in line with the Group's policy have been pre-approved by the Audit Committee. Compliance with the policy of engaging the Group's auditor for non-audit services and pre-approving non-audit fees is reviewed and monitored by the Senior Vice President, Internal Audit and Risk. These fees must be activity based and not success related. At the half year and year end, the Audit Committee reviews all non-audit services provided by the auditor during the period, and the fees relating to these services.

During the year, the Group spent £0.1 million on non-audit services provided by EY (6% of the average of Group audit fees incurred over the last three years). The rationale for using the external auditor to perform these services was to reduce complexity. Further details can be found in note 7 to the Financial Statements.

Evaluation of internal controls
Our Board is ultimately responsible for the Group’s internal controls and risk management procedures. It discharges its duties in this area by:
• Determining the nature and extent of the principal and emerging risks it is willing to accept to achieve the Group’s strategic objectives (the Board’s risk appetite)
• Challenging management’s implementation of effective processes of risk identification, assessment and mitigation

Our Audit Committee is responsible for reviewing the effectiveness of the Group’s internal controls and risk management procedures. Details of the Group’s risk management processes and the management and mitigation of each principal risk together with the
Group’s Viability Statement can be found in our Risk and Viability Report on pages 106 to 142.

Ongoing review of these controls is provided through internal governance processes and the work of the Group is overseen by executive management, particularly the work of the Group Internal Audit team and the Risk Committee. Regular reports on these activities are provided to the Audit Committee as reflected in the standing items on the Audit Committee agenda.

The Board, through the Audit Committee, has conducted a robust assessment of our principal and emerging risks and internal control framework. It has considered the effectiveness of the internal controls in operation across the Group for the year covered by the Annual Report and Accounts and up to the date of its approval by the Board. This review covered the material controls, including financial, operational and compliance, as well as risk management processes. No significant control weaknesses were identified. The internal controls are designed to manage rather than eliminate the risk of not achieving business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The process followed by the Board, through the Audit Committee, in regularly reviewing the system of internal controls and risk management processes complies with the Guidance on Risk Management, Internal Control and Related Financial and Business Reporting issued by the FRC. It also accords with the provisions of the Code.

**Control environment**

Our business model is based primarily on central design, supply chain and distribution operations to supply products to global markets via retail, wholesale and digital channels. This is reflected in our internal control framework, which includes centralised direction, resource allocation, oversight and risk management of the key activities of marketing, inventory management, as well as brand and technology development. We have also established procedures for the delegation of authorities to ensure that approval for matters that are considered significant is provided at an appropriate level. In addition, we have policies and procedures in place that are designed to support risk management across the Group. These include policies relating to treasury and the conduct of employees and third parties with whom we do business, including prohibiting bribery and corruption. These authorities, policies and procedures are kept under regular review.

The Group operates a “three lines of defence” model, which helps to achieve effective risk management and internal control across the organisation.

- First line of defence: management owns and manages risk and is also responsible for implementing corrective actions to address process and control deficiencies
- Second line of defence: to help ensure the first line is properly designed, established and operating effectively, management has also established various risk management and compliance functions to help build and/or monitor the first line of defence. These include, but are not limited to, functions such as Group Risk Management, Legal, Brand Protection, Company Secretariat, Group Finance Compliance, Health and Safety, Data Protection, Asset and Profit Protection, and Business Continuity
- Third line of defence: Group Internal Audit provides the Audit Committee and management with independent and objective assurance on the effectiveness of governance, risk management and internal controls. This includes the way in which the first and second lines of defence achieve risk management and control objectives

**Internal Audit**

The Group Internal Audit function is managed under the leadership of our Senior Vice President, Internal Audit and Risk, who reports to the CO&FO but has an independent reporting line to the Chair of the Audit Committee.

The scope of Internal Audit work is considered for each operating company and Group function. This takes account of risk assessments, input from senior management and the Audit Committee and previous audit findings. For example, in FY 2020/21, there was an emphasis on assurance over the significant financial estimates made in response to COVID-19 and the re-positioning on the Group’s major business transformation and IT implementation programmes across Finance, Supply Chain, HR and Digital. There was also a continued focus on assessing the maturity of controls over cybersecurity and IT operations, and the core financial controls operated from Burberry Business Services. Changes to the Group’s risk profile are considered on an ongoing basis and amendments are made to the audit plan as necessary during the year. Any proposed changes to the plan are discussed with the CO&FO and reported to the Audit Committee. The effectiveness of Group Internal Audit is assessed every five years with the latest review having been reported last year.
Ongoing visibility of the internal control environment is provided through Internal Audit reports to management and the Audit Committee. These reports are graded to reflect an overall assessment of the control environment under review, and the significance of any control weaknesses identified.

Remedial actions to address findings are identified and agreed with management. The Audit Committee places high emphasis on actions being taken as a result of internal audits and regular reports are provided to the Audit Committee on the status of any overdue actions.

**Financial reporting**

Management is responsible for establishing and maintaining adequate internal controls over financial reporting. These are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external reporting purposes.

We have comprehensive planning, budgeting, forecasting and monthly reporting processes in place. A summary of financial results, supported by commentary and performance measures, is provided to the Board each month.

In relation to the preparation of Group Financial Statements, the controls in place include:

- A centre of expertise responsible for reviewing new developments in reporting requirements and standards to ensure that these are reflected in Group accounting policies
- A global finance structure consisting of colleagues with the appropriate expertise to ensure that Group policies and procedures are correctly applied. Effective management and control of the finance structure is achieved through our finance leadership team, consisting of key finance colleagues from the regions, Burberry Business Services and London headquarters

Our financial reporting process is supported by transactional and consolidation finance systems. Reviews of financial controls are carried out by senior members of the finance team. The results of these reviews are considered by the Audit Committee as part of its monitoring of the performance of controls governing financial reporting.

The Audit Committee reviews the application of financial reporting standards and any significant accounting judgements made by management. These matters are also discussed with the external auditor.

**Impact of COVID-19**

We have assessed financial reporting controls impacted by remote working arrangements due to COVID-19 to identify potential vulnerabilities in processes and to determine key controls needed to operate during this period. Where required, controls have been adapted to reflect new ways of working, existing technology and IT infrastructure has been enhanced to support remote execution and contingency plans have been developed, including back-up support for employees impacted by illness or remote working.

**Fair, balanced and understandable**

As a whole, the Annual Report and Accounts are required to be fair, balanced and understandable and to provide the information necessary for shareholders to assess the Group’s position, performance, business model and strategy. On behalf of the Board, the Audit Committee considered whether the fair, balanced and understandable statement could properly be given on behalf of the Directors. The processes followed to provide the Committee with assurance were considered and the Committee provided a recommendation to the Board that the fair, balanced and understandable statement could be given on behalf of the Directors. Based on this recommendation, the Board is satisfied that it has met this obligation. A summary of the Directors’ responsibilities in relation to the Financial Statements is set out on page 210. The Independent Auditors’ Report on pages 211 to 223 includes a statement concerning the auditor’s reporting responsibilities.
Dear Shareholder,

I am pleased to present to you the Directors’ Remuneration Report for the year ended 27 March 2021, which has been approved by both the Remuneration Committee (the Committee) and the Board.

Rising to the challenges

Our latest financial year has seen a lot of change, both within the business and within society. It started a week after the UK had entered its first lockdown and most of our stores had closed. Our first priority as a Board was to ensure that all of our people felt safe and supported, and our leadership team worked intensively to achieve that, quickly setting up systems and providing equipment to enable working from home and to allow our people to stay connected and maintain a sense of community. Our teams were very agile in reorganising our supply chains as stores opened and closed in different regions of the world and to meet the increased demand we saw online in most of our markets.

As the year progressed, and it became clear that disruption could continue for some time to come, our leadership teams devised new approaches to help our people manage their wellbeing while continuing to work from home. We also set up rigorous health and safety protocols across all our sites in line with government guidelines, so that those who needed to work there to execute critical business processes, including many members of our creative teams, could do so without being distracted from our purpose, Creativity Opens Spaces.

Throughout all this, our leadership team ensured that the execution of our strategy stayed on course. This required us to continue to strengthen our culture and reshape our head office organisation, to invest in our digital capabilities, and to nurture our creativity to deliver excitement in our ranges and in our marketing. Once our stores in China reopened, marketing resources were diverted from other markets to capture the sales potential there, with new approaches to digital marketing and customer engagement proving successful. We accelerated our shift in mix to full price and away from markdown channels. By the end of the year, these actions, guided by our purpose, meant that the expectations we had for our sales and profits at the start of the year were exceeded by a considerable margin and, in spite of COVID-19, we delivered a strong set of results.
Supporting the response to COVID-19

Our colleagues were also anxious to play a part in the fight against COVID-19 and by May last year, when I wrote to you, I was proud to list the various initiatives that were underway, including the manufacture of PPE at our Castleford factory; the sourcing and distribution of PPE using our supply chain; Company donations to vaccine research at the University of Oxford; and the setting up of a COVID-19 relief fund spearheaded by The Burberry Foundation. All members of the Board took a voluntary salary/fee cut of 20% for the first quarter and the Company paid an equivalent of that amount to The Burberry Foundation COVID-19 Community Fund, with our top management team also taking a 20% reduction in their salaries.

In total, during the financial year Burberry donated more than 160,000 pieces of PPE and provided over four million masks and 50,000 gowns at cost. The Burberry Foundation COVID-19 Community Fund provided support to relief efforts ranging from procuring and distributing masks, gowns and other PPE to providing funding to food banks and healthcare charities. At the end of the year, in March 2021, the Community Fund alongside Burberry Group plc released further funds to support the distribution of vaccines in developing countries.

In summary, our leadership team has faced into a range of competing challenges with skill and dedication, enabling us to be agile in our response to COVID-19 while at the same time delivering our strategy. Morale has remained strong and our people have retained the deep focus on creativity that is at the heart of our purpose, and so essential to our future growth. The organisation is stronger and more purposeful than it has ever been and our brand has been strengthened. At the time of writing, the UK is emerging from lockdown, but the outlook around the world remains uncertain in the short term, as political events add to the challenges of steering the Company through the pandemic. I have great confidence that our leadership team will surmount the challenges that arise in this financial year, as they have done so well to date.

Directors’ Remuneration Policy

Last year the Committee developed a new Remuneration Policy designed to support our strategy to establish Burberry as a global luxury brand that can deliver long-term sustainable value for shareholders. We consulted widely and refined it in response to comments from shareholders and proxy bodies. The Committee was very pleased with the strong level of support that the final Remuneration Policy received from shareholders at the 2020 AGM.

Burberry Share Plan 2020 (BSP)

The key change under the new Remuneration Policy was the introduction of a restricted share plan, the BSP. Under the BSP Executive Directors receive awards with a lower face value than under our previous performance share plan. The awards are subject to performance underpins, which play a different role to performance conditions in a “traditional” long-term incentive plan. If the Company were to fail to meet one or more of the performance underpins over the relevant vesting period then the Committee would consider whether it would be appropriate to scale back the level of pay-out under the award to reflect this. The Committee would retain discretion to determine the appropriate level of scale-back.

Other changes to the Remuneration Policy

In addition to the introduction of the BSP, the Committee made some changes to reflect evolving market practice and shareholder expectations. This included a reduction in pension arrangements for our current Executive Directors so that they will be aligned with the maximum rate available to the majority of the UK workforce by 1 January 2023, and the introduction of post-employment shareholding guidelines in line with current views of best practice.
Approach to remuneration for FY 2020/21

Salary and Board fees
As previously noted, as part of Burberry’s response to COVID-19, for three months from 1 April 2020 the Executive Directors voluntarily reduced their base salary by 20%, with the equivalent cash amount being donated by the Company to The Burberry Foundation COVID-19 Community Fund. The Chairman and the Non-Executive Directors did likewise with their fees over the same three-month period.

Annual bonus approach for FY 2020/21
The maximum annual bonus for Executive Directors is normally 200% of base salary. However, at the start of the year, taking into account the uncertainty caused by the outbreak of COVID-19 and the challenges expected to follow, the Committee modified the operation of the annual bonus for FY 2020/21, limiting the maximum annual bonus to 25% of the maximum, i.e. 50% of base salary. In addition to reducing the maximum, the Committee also modified the approach to determining outcomes. Following the end of the financial year, the Committee determined the annual bonuses for FY 2020/21 taking into account performance against strategic objectives set around the Company’s response to, and recovery from, COVID-19; our strategy to build a more sustainable future; overall business performance; and the shareholder experience. The Company’s performance has been strong during FY 2020/21, in spite of COVID-19, and this is due in large part to the programmes our leadership team designed and executed under considerable pressure from the pandemic. The Committee judged it was appropriate to pay a bonus of 50% of base salary (the maximum potential for FY 2020/21) to reflect these achievements. Further details on the annual bonus outcomes are set out on page 183 and on pages 189 to 191.

BSP awards
The first awards under the BSP were made in August 2020. As set out in my letter last year, the Committee is mindful of shareholder guidance that, where a company’s share price has fallen, this should be taken into account when determining award levels. After careful consideration, the Committee determined that it would be appropriate to reduce the level of BSP awards in 2020. Accordingly the CEO and CO&FO were granted BSP awards of 150% and 140% of base salary, respectively. The normal maximum levels are 162.5% and 150% of base salary, respectively.

The 2020 BSP awards are subject to performance underpins of Revenue, ROIC and brand and sustainability, which provide a “safeguard” to ensure that awards do not pay out if the Company has under-performed and vesting is not justified. Further detail on the underpins is provided on page 193.
Remuneration outcomes for FY 2020/21
Annual bonus for FY 2020/21
The operation of the annual bonus for FY 2020/21 was modified given the uncertainty and challenges presented by COVID-19. Following the end of the financial year, the Committee reviewed the performance of the Company and the Executive Directors. The key annual performance highlights taken into account by the Committee include:

- Adjusted operating profit of £396 million which was significantly ahead of expectations at the start of the year in spite of COVID-19
- Full-year revenue of £2,344 million
- Rigorous cash management throughout the year resulting in free cash flow (pre-tax) of £407 million and a closing cash level of £919 million net of borrowings
- Absolute share price growth of c.43% for the financial year, representing a strong recovery relative to the FTSE 100
- Strong progress against our sustainability goals, including the successful launch of a Sustainability Bond

Significant strategic progress during the year has supported Burberry’s recovery from the COVID-19 pandemic and provided a strong platform to deliver shareholder returns in the future. Taking into account the excellent progress made during a particularly challenging year, the Committee determined that the Executive Directors would receive bonuses of 50% of base salary (equivalent to 25% of the normal maximum opportunity of 200% of base salary). Further details of the Committee’s assessment and the factors taken into account are set out on pages 189 to 191.

2018 Executive Share Plan (ESP) awards
The 2018 ESP award was based on three performance metrics, measured over the three-year period to 27 March 2021. Given the impact of the COVID-19 pandemic on performance during the year, growth in Revenue and Adjusted PBT (CER) were both below threshold and therefore there was no vesting on these metrics. However, the three-year average Adjusted Retail/Wholesale ROIC exceeded the threshold vesting target. This performance will result in overall vesting of the 2018 ESP award for the Executive Directors of 5.5% of maximum. The ESP shares to be received by the Executive Directors on vesting will be subject to a post-vesting holding period. The Committee believes that the ESP outcome appropriately reflects the broader performance context and, as a result, no discretion was exercised by the Committee in respect of the outcome of the ESP awards.

Single figure for FY 2020/21
The chart below shows the breakdown of the single figure total remuneration for the Executive Directors in respect of FY 2020/21 (see page 188 for more detail).

Alignment between Executive Directors and shareholders
Executive Directors are subject to a shareholding guideline of 300% of salary which drives long-term alignment with investors. The chart below illustrates the value of holdings at the year end and the status against the guideline. Both Marco Gobbetti and Julie Brown had met the shareholding guideline (see page 195 for more detail).
Approach to remuneration for FY 2021/22

Salary and Board fees
The Executive Directors will not receive a salary increase for FY 2021/22. Their salaries will therefore continue to be £1,140,000 for the CEO and £725,500 for the CO&FO. There will also be no increase in fees for the Chairman or the Non-Executive Directors.

Annual bonus
Following the modified approach for FY 2020/21 the Committee is reverting to the normal annual bonus approach for FY 2021/22 as set out in the Remuneration Policy approved by shareholders at the 2020 AGM. The Executive Directors will therefore be eligible for a maximum bonus of 200% of salary. The annual bonus will be based 75% on adjusted operating profit and 25% on performance against strategic objectives linked to progress against our strategy and our brand, sustainability targets and diversity, inclusion and leadership goals (further details are provided on page 191).

BSP awards
The Committee intends to grant BSP awards for 2021 in line with the approach approved by shareholders last year. Awards will vest in equal tranches after three, four and five years following the date of award, subject to a holding period to the fifth anniversary of award. As set out on page 182, the Committee scaled back the BSP awards for 2020 taking into account the Company’s share price at the time of grant. As the share price has increased since the 2020 grants, the Committee intends to grant BSP awards for 2021 at the normal levels of 162.5% and 150% of base salary for the CEO and CO&FO, respectively.

After careful consideration, the Committee has determined that the performance underpins that applied to the 2020 BSP awards continue to reflect a good overall balance of safeguarding the financial stability of the business, delivery of the strategy and elevation of the brand. Therefore, the 2021 BSP awards will be subject to the same performance underpins. The Committee has decided that it would be appropriate to increase the level of the Revenue underpin to £2,400 million and the level of the ROIC underpin to at least 1% above the Group’s WACC (currently c.9%) in the year of vesting. The approach to the brand and sustainability underpin will be unchanged. Further details are provided on page 194.

Broader employee reward
Our people are our biggest asset and they have been instrumental in making Burberry the luxury fashion brand it is today. We strive to be an open, caring and inclusive employer.

We regularly run Employee Engagement Surveys to gain insight into what keeps our people motivated and inspired. In 2019 we established the Global Workforce Advisory Forum, comprising a group drawn from a range of roles and locations around the world, in order for the Board to have a direct channel to hear and discuss the views of the workforce as part of its decision-making processes. During FY 2020/21, the Chairman and I have attended each Forum meeting.

At our February 2021 meeting, I presented the Forum members with a summary of the changes made to the Remuneration Policy and approved by shareholders at the 2020 AGM and I invited questions and comments. We included details of how the revised approach applied to Executive Directors and how it has been cascaded throughout the organisation, including how BSP awards are structured below Board level. Members of the Forum shared their views and discussed the thought process of the Committee in detail. Members confirmed that the new BSP had been well received by participants across the Company. We also reflected on changes which had been made to the retail commission structure globally. This too had been warmly received, although we noted some anomalies that had arisen due to the pandemic and which will be addressed. There was considerable praise for the new Global Parental Leave Policy. The Chairman and I have found it very valuable to take part in the Forum and to hear the views of the wider employee base. We take these views into account when we consider changes to policy and incentive out-turns for Executive Directors.
Our reward framework
Burberry’s remuneration framework has been designed to support our culture, values and purpose. The framework, which consists of fixed pay, short-term incentives and long-term share awards, is cascaded across the Group.

We are committed to fair and responsible employment and are proud to be a principal partner of The Living Wage Foundation and an accredited UK Living Wage employer. We are keen to encourage employee share ownership and we operate two all-employee share plans, which are due for renewal at the AGM in July. Annual grants of free shares (or equivalent cash-based awards where necessary) and the ability to purchase shares under our Sharesave Scheme enable our people to become shareholders in Burberry and share in the long-term success of our strategy.

Engagement with shareholders
We have sought to have an open and transparent dialogue with shareholders about executive remuneration arrangements at Burberry. Our engagement with shareholders at the start of the year helped inform the new Remuneration Policy put to shareholders at the 2020 AGM and I am most grateful to shareholders for their support on the Remuneration Policy last year. I look forward to continuing the discussion and hope that you will be willing to support the Directors’ Remuneration Report at the AGM in July.

Orna NiChionna
Chair, Remuneration Committee
**AT A GLANCE: REMUNERATION APPROACH FOR FY 2020/21 AND FY 2021/22**

The Remuneration Policy was approved by shareholders at the AGM on 15 July 2020 and is set out in full in the Directors’ Remuneration Report FY 2019/20, which can be found in the Annual Report FY 2019/20 at Burberry plc.com.

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<th>Element</th>
<th>Approach for FY 2020/21</th>
<th>Approach for FY 2021/22</th>
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| Salary  | Salaries from 1 July 2020:  
- CEO – £1,140,000  
- CO&FO – £725,500  
The CEO and CO&FO agreed to waive 20% of salary between April and June 2020 with the equivalent cash amount donated by the Company to The Burberry Foundation COVID-19 Community Fund. | No increase in salaries from 1 July 2021.  
Salaries from 1 July 2021 will remain:  
- CEO – £1,140,000  
- CO&FO – £725,500 |
| Pension | CEO and CO&FO – pension reduced from 30% of base salary to 20% of base salary from 1 July 2020.  
Any new appointment – in line with the maximum employer pension contribution available to the majority of the UK workforce (currently 6% of salary). | CEO and CO&FO – 20% of base salary, with a further reduction to align with the maximum rate available to the majority of the UK workforce from 1 January 2023.  
Any new appointment – no change for FY 2021/22. |
| Benefits | Cash benefits allowance – CEO (£80,000) and CO&FO (£30,000)  
Non-cash benefits principally include private medical, long-term disability insurance and life assurance. | No change for FY 2021/22. |
| Annual bonus | In light of the uncertainty and challenges following the outbreak of COVID-19, the operation of the annual bonus was modified for FY 2020/21.  
The annual bonus was limited to 25% of the normal maximum, i.e. 50% of salary.  
The Committee determined the annual bonus taking into account performance against strategic objectives (response to and recovery from COVID-19, and sustainability), overall business performance and the shareholder experience.  
Executives are required to invest 50% of any net bonus into shares until shareholding guidelines are met.  
Malus and clawback provisions apply. | The annual bonus will revert to its normal operation.  
Maximum 200% of salary.  
Performance measures:  
- 75% adjusted operating profit  
- 25% strategic objectives  
Executives are required to invest 50% of any net bonus into shares until shareholding guidelines are met.  
Malus and clawback provisions apply. |
The 2020 awards were scaled back in recognition of the Company’s share price at grant:
- CEO – 150% of salary
- CO&FO – 140% of salary
Awards vest one third after three years, one third after four years and one third after five years.
Awards subject to a holding period to fifth anniversary of award.
Malus and clawback provisions apply.

Given the share price recovery, BSP awards will revert to normal levels for the 2021 awards. Maximum annual award levels:
- CEO – 162.5% of salary
- CO&FO – 150% of salary
Awards vest one third after three years, one third after four years and one third after five years.
Awards subject to a holding period to fifth anniversary of award.
Malus and clawback provisions apply.

The performance underpins for the 2020 awards are as follows:
- Revenue – the level of Total Revenue at CER for the financial year which precedes the year of vesting being at least £2,000 million
- ROIC – the level of Group ROIC at reported exchange rates for the financial year which precedes the year of vesting being ahead of the Group’s WACC, currently c.9%
- Brand and sustainability – reasonable progress having been achieved in respect of our strategy to elevate our brand and build a more sustainable future

The performance underpins for the 2021 awards are as follows:
- Revenue – the level of Total Revenue at CER for the financial year which precedes the year of vesting being at least £2,400 million
- ROIC – the level of Group ROIC at reported exchange rates for the financial year which precedes the year of vesting being at least 1% above the Group’s WACC (currently c.9%) in the year of vesting
- Brand and sustainability – reasonable progress having been achieved in respect of our strategy to elevate our brand and build a more sustainable future

Post-employment shareholding guideline introduced whereby Executive Directors will be expected to retain a shareholding of 300% of salary (or actual shareholding if lower) for two years after stepping down as an Executive Director.

No change for FY 2021/22.

Details of the principles the Committee took into account when developing the Remuneration Policy, including Provision 40 of the UK Corporate Governance Code, are set out on page 161 of the FY 2019/20 Annual Report.

The Committee considers that the Remuneration Policy operated as intended during FY 2020/21.
ANNUAL REPORT ON REMUNERATION
FY 2020/21 total single figure remuneration for Executive Directors (audited)
The table below sets out the single figure of total remuneration received or receivable by the Executive Directors in respect of FY 2020/21 (and the prior financial year). The subsequent sections detail additional information for each element of remuneration.

<table>
<thead>
<tr>
<th></th>
<th>Salary £'000</th>
<th>Allowances and benefits £'000</th>
<th>Pension £'000</th>
<th>Bonus £'000</th>
<th>ESP £'000</th>
<th>All-employee share plans £'000</th>
<th>Total remuneration £'000</th>
<th>Total fixed remuneration £'000</th>
<th>Total variable remuneration £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marco Gobbetti</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year to 27 March 2021</td>
<td>1,083</td>
<td>155</td>
<td>257</td>
<td>570</td>
<td>180</td>
<td></td>
<td>2,245</td>
<td>1,495</td>
<td>750</td>
</tr>
<tr>
<td>Year to 28 March 2020</td>
<td>1,136</td>
<td>141</td>
<td>341</td>
<td>–</td>
<td>–</td>
<td></td>
<td>1,618</td>
<td>1,618</td>
<td>–</td>
</tr>
<tr>
<td>Julie Brown</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year to 27 March 2021</td>
<td>689</td>
<td>78</td>
<td>163</td>
<td>363</td>
<td>106</td>
<td>6</td>
<td>1,405</td>
<td>936</td>
<td>469</td>
</tr>
<tr>
<td>Year to 28 March 2020</td>
<td>723</td>
<td>79</td>
<td>217</td>
<td>–</td>
<td>–</td>
<td></td>
<td>1,019</td>
<td>1,019</td>
<td>–</td>
</tr>
</tbody>
</table>

1. The Executive Directors voluntarily agreed to waive 20% of their salary for a three-month period between April and June 2020 with the equivalent cash amount being donated by the Company to The Burberry Foundation COVID-19 Community Fund.

2. The cost of private medical insurance for the Executive Directors was overstated in FY 2019/20 due to an administrative error and has been corrected in the allowances and benefits column for the year to 28 March 2020.

3. The values shown in the ESP column in respect of FY 2020/21 represent the vesting of the 2018 ESP award. The values have been calculated by multiplying the number of shares which will vest based on the performance outcome set out on page 192 (9,489 for Marco Gobbetti and 5,574 for Julie Brown) by the three-month average share price to the end of the financial year (£18.44), plus the value of dividends on these shares (using a cumulative dividend per share of 53.8 pence). This average share price has been used as the award does not vest until after the year end. The share price used to calculate the number of shares at grant (31 July 2018) was £21.135. Therefore none of the 2018 ESP value disclosed in the single figure table is attributable to share price growth. The Remuneration Committee did not exercise discretion in respect of the change in share price.

4. The value shown in the all-employee share plans column in respect of FY 2020/21 represents the gain realised by Julie Brown on the exercise of a Sharesave option granted in 2017 and the vesting of the 2017 award of free shares granted under the Share Incentive Plan (SIP).

Salary (audited)
The table below details annual salaries as at 27 March 2021 and those that will apply from 1 July 2021. Salaries will not be increased from 1 July 2021. From 1 April 2020, the Executive Directors voluntarily agreed to waive 20% of their salary for a three-month period between April and June 2020 with the equivalent cash amount being donated by the Company to The Burberry Foundation COVID-19 Community Fund.

<table>
<thead>
<tr>
<th></th>
<th>As at 27 March 2021</th>
<th>As at 1 July 2021</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marco Gobbetti</td>
<td>£1,140,000</td>
<td>£1,140,000</td>
<td>0%</td>
</tr>
<tr>
<td>Julie Brown</td>
<td>£725,500</td>
<td>£725,500</td>
<td>0%</td>
</tr>
</tbody>
</table>
Pension (audited)
Each Executive Director received an annual pension contribution or pension cash allowance of 30% of base salary up to 30 June 2020 and 20% of base salary from 1 July 2020. No Director has a prospective entitlement to receive a defined benefit pension.

In line with the approved Remuneration Policy, the pension allowance of each Executive Director will be further reduced to align with the maximum employer pension contribution available to the majority of the UK workforce (currently 6% of salary) from 1 January 2023 in line with best practice.

Allowances and benefits (audited)
The table below details the cash allowances and non-cash benefits received by the Executive Directors during FY 2020/21 in accordance with the Remuneration Policy and as disclosed in the single figure table.

<table>
<thead>
<tr>
<th>FY 2020/21 (£’000)</th>
<th>Cash allowance</th>
<th>Private medical insurance</th>
<th>Life assurance</th>
<th>Long-term disability insurance</th>
<th>Tax advice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marco Gobbetti</td>
<td>80</td>
<td>14</td>
<td>38</td>
<td>7</td>
<td>16</td>
</tr>
<tr>
<td>Julie Brown</td>
<td>30</td>
<td>30</td>
<td>7</td>
<td>9</td>
<td>2</td>
</tr>
</tbody>
</table>

There were no changes to benefits policies during the year.

Annual bonus outcomes for FY 2020/21 (audited)
As disclosed last year, in light of the uncertainty and challenges following the outbreak of COVID-19, the operation of the annual bonus for FY 2020/21 was modified. The maximum annual bonus was limited to 25% of the maximum, i.e. 50% of base salary. The Committee has determined the annual bonuses for FY 2020/21 taking into account performance against strategic objectives set around the Company’s response to, and recovery from, COVID-19, our strategy to build a more sustainable future, overall business performance and the shareholder experience.
The table below sets out the factors that the Committee took into account and performance against them:

<table>
<thead>
<tr>
<th>Factor</th>
<th>Performance in FY 2020/21</th>
</tr>
</thead>
</table>
| Overall business performance | • Adjusted operating profit of £396 million delivered with an adjusted operating margin of 16.9%  
                                  • Full year revenue was £2,344 million  
                                  • Free cash flow pre-tax of £407 million  
                                  • Group ROIC of 17%                                                                    |
| Strategic performance         | • Successfully optimised the strategy against short-term, regional and channel shifts in demand  
                                  • Rigorous cash management throughout the year leading to increased cash balances  
                                  • Successful launch of the innovative Sustainability Bond                                 |
| Sustainability performance    | • 92% reduction in market-based emissions since base year FY 2016/17  
                                  • 82% of products with more than one positive attribute  
                                  • 680,170 people in the community positively impacted since 2017 by programmes led by The Burberry Foundation |
| Shareholder experience        | • Share price increased by 43% since the start of the financial year, compared to an increase in the FTSE 100 of 26% over the same period  
                                  • Payment of final dividend for FY 2020/21                                               |
| Response to COVID-19 in the year | • Successfully enabled remote working for our people and implemented initiatives to maintain cohesion including regular check-ins and encouraging flexible working  
                                  • Robust measures put in place to ensure work sites were safe and secure environments  
                                  • Provided more than four million masks and 50,000 gowns at cost as part of the Government contract  
                                  • Made a donation in March 2020 to fund research into the vaccine developed by the University of Oxford and AstraZeneca |

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After careful consideration of the factors set out on the previous page the Committee determined that the Executive Directors would receive annual bonuses for FY 2020/21 of 50% of salary. The Committee considered that the financial performance for the year had been strong in the context of the current economic environment and significantly exceeded both internal and external expectations as at the start of the year. The Executive Directors also managed to deliver the cost and liquidity management objectives, ending the year in a strong position from both a financing and working capital perspective, while maintaining focus and making excellent progress against our sustainability strategy. This performance was delivered at the same time as supporting our people and communities throughout the COVID-19 crisis and the Committee considered that the CEO and the CO&FO had demonstrated exceptional leadership during a challenging year while consistently acting in a way which supports the Company’s purpose and values. The annual bonuses are set out in the following table:

<table>
<thead>
<tr>
<th>FY 2020/21 Annual bonus payment (% of maximum)</th>
<th>FY 2020/21 Annual bonus payment (£000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marco Gobbetti 25%</td>
<td>£570</td>
</tr>
<tr>
<td>Julie Brown 25%</td>
<td>£363</td>
</tr>
</tbody>
</table>

Under the Remuneration Policy, the Executive Directors are required to invest 50% of any net bonus earned into Burberry shares until their shareholding guideline of 300% of salary is met. Both Executive Directors already meet their shareholding guideline and therefore this requirement will not apply.

**Annual bonus for FY 2021/22**

Following the modified approach for FY 2020/21, the Committee is reverting to the normal annual bonus approach for FY 2021/22 as set out in the Remuneration Policy approved by shareholders at the 2020 AGM. Executive Directors will therefore be eligible for a maximum bonus of 200% of base salary. The annual bonus for FY 2021/22 will be based 75% on adjusted operating profit performance and 25% on strategic objectives. The strategic objectives will include the following measures:

- **Strategy and brand (10\%)** – our long-term strategy is to elevate the value of our brand and diversify our channels to market. When assessing performance in this area the Committee will consider key measures linked to our brand and strategy progress, including digital revenue growth, full-price sales and leather and outerwear sales
- **Sustainability (10\%)** – given the increasing importance of sustainability within our business as well as society, the Committee has linked a portion of bonus to our progress against our long-term carbon reduction goals, specifically our objectives to reduce scope 3 emissions by 30% by 2030 and to become Net-Zero by 2040
- **Diversity, inclusion and leadership (5\%)** – underpinning our strategy is a robust approach to diversity, inclusion and leadership. The Committee therefore considered that it was appropriate to base part of the bonus on measures related to succession planning and diversity and inclusion goals as well as behaviours and values

For each strategic area the Committee will determine the pay-out in the round taking into account our progress in the year against our long-term objectives in these areas. Details of the progress achieved and the Committee determination of bonus outcomes will be provided in the FY 2021/22 Directors’ Remuneration Report.
Long-term incentive plan awards
The following sets out details of:

- 2018 ESP awards vesting based on performance to FY 2020/21
- 2020 BSP awards granted during FY 2020/21
- 2021 BSP awards to be granted in FY 2021/22

2018 ESP awards vesting based on performance to FY 2020/21 (audited)
Marco Gobbetti and Julie Brown hold 2018 ESP awards, which will vest 50% on 31 July 2021 and 50% on 31 July 2022 based on performance over the period from 1 April 2018 to 27 March 2021. The table below sets out the targets and actual performance achieved.

<table>
<thead>
<tr>
<th>Outcome of 2018 ESP award</th>
<th>Weighting</th>
<th>Threshold (15% of max)</th>
<th>Maximum</th>
<th>Actual performance</th>
<th>Vesting (% of max)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual growth in Adjusted PBT(^1,(^2)</td>
<td>50%</td>
<td>0.0%</td>
<td>7.5%</td>
<td>-6.2%</td>
<td>0%</td>
</tr>
<tr>
<td>Annual growth in Revenue(^1,(^2)</td>
<td>25%</td>
<td>1.0%</td>
<td>5.5%</td>
<td>-5.0%</td>
<td>0%</td>
</tr>
<tr>
<td>Average Adjusted Retail/Wholesale ROIC(^2)</td>
<td>25%</td>
<td>13.5%</td>
<td>17.0%</td>
<td>13.8%</td>
<td>22%</td>
</tr>
<tr>
<td>Final vesting outcome</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5.5%</td>
</tr>
</tbody>
</table>

1. The ESP outcome is calculated using the average exchange rates of the year on which the targets were based, as set out in the performance conditions to awards.
2. Performance was measured on a like-for-like basis against the targets, taking into account three changes in accounting over the period (the adoption of IFRS 15 and IFRS 16 and the move to retail calendar reporting). The adoption of IFRS 16 Leases has impacted the reported measurement of ROIC and adjusted PBT. The adoption of IFRS 15 and retail calendar reporting has impacted the measurement of Revenue. As a result performance for FY 2020/21 was measured on a pro forma basis reflecting results excluding the impact of these changes.

Given the impact of COVID-19 on performance during the year, growth in Revenue and Adjusted PBT (CER) were both below threshold and therefore there was no vesting on these metrics. However, the three-year average Adjusted Retail/Wholesale ROIC exceeded the threshold vesting target. This performance will result in overall vesting of the 2018 ESP award for the Executive Directors of 5.5%.

The Committee did not exercise any discretion in relation to the 2018 ESP outcome for Executive Directors.

In line with the Remuneration Policy, vested shares may not be sold until five years from grant (31 July 2023), other than to meet tax liabilities.

2020 BSP awards granted during FY 2020/21 (audited)
After careful consideration, the Committee determined that it would be appropriate to reduce the level of BSP awards in 2020 reflecting the share price at the time of award. Accordingly the CEO and CO&FO were granted BSP awards of 150% and 140% of base salary respectively, compared with normal maximum levels of 162.5% and 150% of base salary respectively. The table below summarises the BSP share awards granted to the Executive Directors during FY 2020/21.

<table>
<thead>
<tr>
<th>Type of award</th>
<th>Basis of award</th>
<th>Shares awarded</th>
<th>Face value at grant (£’000)</th>
<th>Performance underpin period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marco Gobbetti</td>
<td>BSP share award</td>
<td>150% of salary</td>
<td>120,077</td>
<td>£1,710</td>
</tr>
<tr>
<td>Julie Brown</td>
<td>BSP share award</td>
<td>140% of salary</td>
<td>71,323</td>
<td>£1,016</td>
</tr>
</tbody>
</table>
The BSP award was granted on 20 August 2020 and will vest one-third after three years, one-third after four years and one-third after five years from the grant date, subject to the performance underpins outlined below. Each tranche is subject to a holding period so that the total time horizon before any sale of shares (except to cover any tax liabilities arising from the award) is five years for the entire award. Awards are granted in the form of conditional share awards.

The face value of each award is calculated using the three-day average price prior to the date of grant (£14.2408), which was the price used to determine the number of shares awarded.

BSP awards granted in 2020 are subject to the following underpins:

- **Revenue** – the level of Total Revenue at CER for the financial year which precedes the year of vesting being at least £2,000 million
- **ROIC** – the level of Group ROIC at reported exchange rates for the financial year which precedes the year of vesting being ahead of the Group’s WACC, currently c.9%
- **Brand and sustainability strategies** – reasonable progress having been achieved over the vesting period in respect of our strategy to elevate our brand and to build a more sustainable future:
  - **Brand** – when assessing the brand underpin the Committee will consider performance against a range of relevant brand KPIs. It is intended that this will include full-price sales, outerwear and leather goods sales and progress on brand elevation but it may also include other relevant metrics. These metrics are all considered to be strongly aligned with our strategy of elevating the brand to generate long-term value for shareholders
  - **Sustainability** – when assessing the sustainability underpin the Committee will consider whether reasonable progress has been delivered against our carbon reduction goals to reduce scope 3 emissions by 30% by 2030 and to become Net-Zero by 2040

The Revenue and ROIC underpins were set at a time of considerable business and economic uncertainty. As described on page 194 the Revenue and ROIC underpins have been increased for the 2021 BSP awards.

If the Company does not meet one or more of the performance underpins outlined above for the year of vesting then the Committee would consider whether it was appropriate to scale back the level of pay-out under the BSP award. The intention of the performance underpins is to provide a “safeguard” to ensure that the BSP awards do not pay out if the Company has under-performed and vesting is not justified and the Committee will take this intention into account when assessing the underpins.

In addition to the underpins described above, the Committee also retains the discretion to adjust the vesting outcome if it is not considered to be reflective of underlying financial or non-financial performance of the business or the performance of the individual, where underpins are no longer considered appropriate or where the vesting outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders.
**2021 BSP awards to be granted in FY 2021/22**

Following the reduction made to the BSP award levels in 2020, and taking into account the recovery in the share price since the 2020 grant date, the Committee intends to grant 2021 BSP awards to the Executive Directors at the normal award levels as set out in the 2020 Remuneration Policy (162.5% of salary for Marco Gobbetti and 150% of salary for Julie Brown). The awards will vest in equal tranches after three, four and five years following the date of grant, subject to the performance underpins. Tranches will be subject to a holding period so that the total time horizon before any sale of shares (except to cover any tax liabilities arising from the award) is five years for the entire award.

If the Company does not meet one or more of the performance underpins outlined below for the year of vesting then the Committee would consider whether it was appropriate to scale back the level of pay-out under the BSP award. The Committee would retain discretion to determine the appropriate level of scale-back. Having considered the forecasts that are applicable and relevant to our sector, the Committee has determined to use the following performance underpins for the 2021 awards:

- **Revenue** – the level of Total Revenue at CER for the financial year which precedes the year of vesting being at least £2,400 million
- **ROIC** – the level of Group ROIC at reported exchange rates for the financial year which precedes the year of vesting being at least 1% above the Group’s WACC (currently c.9%) in the year of vesting
- **Brand and sustainability strategies** – reasonable progress having been achieved over the vesting period in respect of our strategy to elevate our brand and to build a more sustainable future:
  - **Brand** – when assessing the brand underpin the Committee will consider performance against a range of relevant brand KPIs. It is intended that this will include full-price sales, outerwear and leather goods sales and progress on brand elevation but it may also include other relevant metrics. These metrics are all considered to be strongly aligned with our strategy of elevating the brand to generate long-term value for shareholders
  - **Sustainability** – when assessing the sustainability underpin the Committee will consider whether reasonable progress has been delivered against our carbon reduction goals to reduce scope 3 emissions by 30% by 2030 and to become Net-Zero by 2040

If the Company does not meet one or more of the performance underpins outlined above for the year of vesting then the Committee would consider whether it was appropriate to scale back the level of pay-out under the BSP award. The intention of the performance underpins is to provide a "safeguard" to ensure that the BSP awards do not pay out if the Company has under-performed and vesting is not justified and the Committee will take this intention into account when assessing the underpins.

In addition to the underpins described above, the Committee also retains the discretion to adjust the vesting outcome if it is not considered to be reflective of underlying financial or non-financial performance of the business or the performance of the individual, where underpins are no longer considered appropriate or where the vesting outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders.
Share interests and shareholding guideline (audited)

Executive Directors are subject to a shareholding guideline of 300% of base salary. There is no specific timeline in which shareholding guidelines must be achieved. However, there is an expectation that Executive Directors make annual progress towards their guideline, regardless of any annual bonus paid or shares vesting. In line with the Investment Association best practice guidance, our shareholding guideline permits any incentive shares that have vested but are unexercised or that have not yet vested but are not subject to any further performance conditions to count towards the shareholding requirement at 50% of their face value. Members of the Executive Committee are also subject to a shareholding guideline.

The following table sets out the total beneficial interests of the Executive Directors (and their connected persons) in ordinary shares of Burberry Group plc as at 27 March 2021, as well as their progress against the shareholding guidelines. The table also summarises conditional interests in share or option awards, with further detail of the underlying awards in the subsequent table.

Based on the three-month average share price to 27 March 2021 (our standard approach to assessing the guideline), Marco Gobbetti and Julie Brown had both met the guideline.

<table>
<thead>
<tr>
<th>Director</th>
<th>Beneficially held shares</th>
<th>Share/option awards</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of shares</td>
<td>Shareholding</td>
</tr>
<tr>
<td></td>
<td>beneficially owned</td>
<td>guideline</td>
</tr>
<tr>
<td></td>
<td>as at 27 March 2021</td>
<td>(% of salary)</td>
</tr>
<tr>
<td>Marco Gobbetti</td>
<td>190,530</td>
<td>380%</td>
</tr>
<tr>
<td>Julie Brown</td>
<td>151,169</td>
<td>384%</td>
</tr>
</tbody>
</table>

1. There have been no changes in the period up to and including 12 May 2021.
2. Based on the three-month average share price as at 27 March 2021 of £18.44.
3. Marco Gobbetti did not exercise any options during the year. On 11 June 2020, Julie Brown exercised nil-cost options over 73,000 shares and 3,952 shares, both granted to her on 30 January 2017, and retained these shares (post tax liabilities). The market value of Burberry shares on the date of exercise was £18.56. On 1 February 2021, Julie exercised a nil-cost option over 3,953 shares granted to her on 30 January 2017, and retained these shares (post tax liabilities). The market value of Burberry shares on the date of exercise was £17.25. In addition, on 14 December 2020, Julie exercised a Sharesave option over 1,294 shares granted to her on 15 June 2017. The market value of Burberry shares on the date of exercise was £18.27.
4. In line with the shareholding guideline, only 50% of the face value of these shares count towards the Executive Director’s shareholding guideline calculation.
5. This includes Sharesave options and shares held under the all-employee SIP. In line with the shareholding guideline, shares held under the SIP count towards the Executive Director’s shareholding guideline calculation.
The following table provides further underlying detail on the unvested awards at 27 March 2021 included in the table on page 195.

<table>
<thead>
<tr>
<th>Director</th>
<th>Type of award</th>
<th>Date of grant</th>
<th>Maximum number of shares/ options</th>
<th>Performance period</th>
<th>Vesting date(s)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marco Gobbetti</td>
<td>2018 ESP¹</td>
<td>31 July 2018</td>
<td>172,532</td>
<td>3 years to 27 March 2021</td>
<td>50% on 31 July 2021/50% on 31 July 2022</td>
</tr>
<tr>
<td></td>
<td>2019 ESP²</td>
<td>31 July 2019</td>
<td>161,849</td>
<td>3 years to 2 April 2022</td>
<td>50% on 31 July 2022/50% on 31 July 2023</td>
</tr>
<tr>
<td></td>
<td>2020 BSP³</td>
<td>20 August 2020</td>
<td>120,077</td>
<td>3 years to 1 April 2023/4 years</td>
<td>1/3 on 20 August 2023/ 1/3 on 20 August 2024/ 1/3 on 20 August 2025</td>
</tr>
<tr>
<td></td>
<td>SAYE</td>
<td>15 June 2018</td>
<td>1,920</td>
<td>N/A</td>
<td>1 September 2023</td>
</tr>
<tr>
<td></td>
<td>SIP</td>
<td>31 July 2018</td>
<td>23</td>
<td>N/A</td>
<td>31 July 2021</td>
</tr>
<tr>
<td></td>
<td>SIP</td>
<td>31 July 2019</td>
<td>22</td>
<td>N/A</td>
<td>31 July 2022</td>
</tr>
<tr>
<td></td>
<td>SIP</td>
<td>11 December 2020</td>
<td>27</td>
<td>N/A</td>
<td>11 December 2023</td>
</tr>
<tr>
<td>Julie Brown</td>
<td>2018 ESP¹</td>
<td>31 July 2018</td>
<td>101,348</td>
<td>3 years to 27 March 2021</td>
<td>50% on 31 July 2021/50% on 31 July 2022</td>
</tr>
<tr>
<td></td>
<td>2019 ESP²</td>
<td>31 July 2019</td>
<td>95,078</td>
<td>3 years to 2 April 2022</td>
<td>50% on 31 July 2022/50% on 31 July 2023</td>
</tr>
<tr>
<td></td>
<td>2020 BSP³</td>
<td>20 August 2020</td>
<td>71,323</td>
<td>3 years to 1 April 2023/4 years</td>
<td>1/3 on 20 August 2023/ 1/3 on 20 August 2024/ 1/3 on 20 August 2025</td>
</tr>
<tr>
<td></td>
<td>SIP</td>
<td>31 July 2018</td>
<td>23</td>
<td>N/A</td>
<td>31 July 2021</td>
</tr>
<tr>
<td></td>
<td>SIP</td>
<td>31 July 2019</td>
<td>22</td>
<td>N/A</td>
<td>31 July 2022</td>
</tr>
<tr>
<td></td>
<td>SIP</td>
<td>11 December 2020</td>
<td>27</td>
<td>N/A</td>
<td>11 December 2023</td>
</tr>
</tbody>
</table>

1. The performance conditions and final vesting outcome for the 2018 ESP award are set out on page 192.
3. The performance underpinnings for the 2020 BSP award are set out on page 193.
4. ESP awards are structured as nil-cost options and vested awards may be exercised in the period until 10 years from grant. Vested ESP and BSP awards may not be sold until five years from the date of grant, other than to meet tax liabilities.

**Payments to past Directors**

The second tranche of the 2016 ESP award granted to Carol Fairweather (who stepped down as CFO in 2017) vested in respect of 3,140 shares on 30 January 2021. The value of those shares on that date was £53,976. (The first tranche of her ESP award vested in respect of 3,140 shares on 30 January 2020.) Details of the 2016 ESP awards are set out on page 134 of the FY 2018/19 Directors’ Remuneration Report. There were no other payments to past Directors during the year.

**Payments for loss of office**

There were no payments for loss of office during the year.
**Director remuneration relative to employees**

The table below summarises the change in each Director’s base salary/fee, benefits and bonus received for FY 2020/21 compared to the prior year. The regulations require disclosure of the same data for employees of the parent company. However, Burberry Group plc does not have any employees and therefore the table below includes data in respect of the UK employee population for reference.

<table>
<thead>
<tr>
<th>Year-on-year change (%)</th>
<th>Salary /fee</th>
<th>Allowances and benefits</th>
<th>Bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Executive Directors</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marco Gobbetti</td>
<td>-4.6%</td>
<td>9.9%</td>
<td>N/A</td>
</tr>
<tr>
<td>Julie Brown</td>
<td>-4.6%</td>
<td>-3.1%</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Non-Executive Directors</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gerry Murphy</td>
<td>-5.0%</td>
<td>-93.3%</td>
<td>–</td>
</tr>
<tr>
<td>Fabiola Arredondo</td>
<td>-5.0%</td>
<td>-100%</td>
<td>–</td>
</tr>
<tr>
<td>Sam Fischer</td>
<td>-5.0%</td>
<td>-100%</td>
<td>–</td>
</tr>
<tr>
<td>Ron Frasch</td>
<td>-5.0%</td>
<td>-100%</td>
<td>–</td>
</tr>
<tr>
<td>Matthew Key</td>
<td>-3.5%</td>
<td>-100%</td>
<td>–</td>
</tr>
<tr>
<td>Debra Lee</td>
<td>-5.0%</td>
<td>-100%</td>
<td>–</td>
</tr>
<tr>
<td>Dame Carolyn McCall</td>
<td>12.8%</td>
<td>-100%</td>
<td>–</td>
</tr>
<tr>
<td>Orna NíChionna</td>
<td>-3.5%</td>
<td>-66.3%</td>
<td>–</td>
</tr>
<tr>
<td>Antoine de Saint-Affrique</td>
<td></td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Former Non-Executive Directors</strong></td>
<td></td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td>Jeremy Darroch</td>
<td>-75.0%</td>
<td>N/A</td>
<td>–</td>
</tr>
<tr>
<td><strong>UK Employees</strong></td>
<td>0%</td>
<td>0%</td>
<td>-7.7%</td>
</tr>
</tbody>
</table>

1. The comparator group includes all UK employees. As noted above Burberry Group plc does not have any employees and therefore this group has been chosen to align with the location of the Executive Directors and with the pay ratio reporting. For the comparator group of employees, the year-on-year salary changes include the annual salary review from July 2020 but exclude any additional changes made in the year, for example, on promotion. For benefits, there were no changes to benefit policies or levels during the year. The change in the value of benefits shown for the Executive Directors reflects the market cost of the same benefits.

2. In order to provide a meaningful comparison the figures in the table above have been calculated on a full-year equivalent basis for Directors appointed during FY 2019/20.

3. The change in fee for Dame Carolyn McCall reflects the time served in the role of the Senior Independent Director during FY 2020/21.

4. The Executive Directors did not receive an annual bonus for FY 2019/20 and therefore it is not possible to calculate a percentage change on bonus.

5. Antoine de Saint-Affrique was appointed during FY 2020/21 and therefore it is not possible to calculate a percentage change for him.

The ratios set out in the table below compare the total remuneration of the CEO (as included in the single figure table on page 188) to the remuneration of the median UK employee as well as the UK employees at the lower and upper quartiles. The disclosure will build up over time to cover a rolling 10-year period.

<table>
<thead>
<tr>
<th>Year</th>
<th>Method</th>
<th>25th percentile pay ratio (P25)</th>
<th>Median pay ratio (P50)</th>
<th>75th percentile pay ratio (P75)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2020/21</td>
<td>Option A</td>
<td>92:1</td>
<td>71:1</td>
<td>44:1</td>
</tr>
<tr>
<td>FY 2019/20</td>
<td>Option A</td>
<td>68:1</td>
<td>48:1</td>
<td>31:1</td>
</tr>
<tr>
<td>FY 2018/19</td>
<td>Option A</td>
<td>170:1</td>
<td>127:1</td>
<td>82:1</td>
</tr>
</tbody>
</table>

**Notes regarding calculation**

The ratios are calculated using option A in the disclosure regulations. The employees at the lower quartile, median and upper quartile (P25, P50, and P75, respectively) were determined based on total remuneration using a valuation methodology consistent with that used for the CEO in the single figure table on page 188. The employees were identified based on all UK employees as at year end. This option was selected on the basis that it provided the most accurate means of identifying the median, lower and upper quartile employees. The calculation is undertaken on a full-time equivalent basis.
The total remuneration in respect of FY 2020/21 for the employees identified at P25, P50 and P75 is £24k, £32k and £51k respectively. The base salary in respect of FY 2020/21 for the employees identified at P25, P50 and P75 is £21k, £27k and £45k respectively.

The Committee considers pay ratios as one of many reference points when considering remuneration. Throughout the Group, pay is positioned to be fair and market competitive in the context of the talent market for the relevant role, fairly reflecting local market data and other relevant benchmarks (such as the UK Living Wage). The Committee notes the limited comparability of pay ratios across companies and sectors, given the diverse range of business models and employee population profiles which exist across the market.

A significant proportion of the CEO’s total remuneration is delivered in variable remuneration, and particularly via long-term share incentives, historically under the ESP and with effect from FY 2020/21 under the BSP. In order to drive alignment with investors, the value ultimately received from ESP and BSP awards is linked to long-term share price movement. As a result, the pay ratio is likely to be driven largely by the CEO’s incentive outcomes and may therefore fluctuate significantly on a year-to-year basis.

The pay ratios for FY 2019/20 were lower than for FY 2018/19 reflecting the zero outcome on the CEO’s bonus for FY 2019/20 and the lapse of the ESP 2017 award. The pay ratios for FY 2020/21 increased compared to FY 2019/20 primarily reflecting that the CEO received an annual bonus in respect of performance for FY 2020/21 and the partial vesting of the ESP 2018 award. The Committee considers that the median pay ratio for FY 2020/21 and the recent trends in the pay ratios are consistent with Burberry’s remuneration framework and reflect the variable nature of the CEO’s total remuneration. The Committee believes the pay ratio is consistent with our pay policies in the UK.

**Relative importance of spend on pay for FY 2020/21**
The table below sets out the total payroll costs for all employees over FY 2020/21 compared to total dividends payable for the year and amounts paid to buy back shares during the year. The average number of full-time equivalent employees is also shown for context.

<table>
<thead>
<tr>
<th>Relative importance of spend on pay</th>
<th>FY 2020/21</th>
<th>FY 2019/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends paid during the year (total)</td>
<td>£m 175.2</td>
<td>– 175.2</td>
</tr>
<tr>
<td>Amounts paid to buy back shares during the year</td>
<td>£m – 150.7</td>
<td>150.7</td>
</tr>
<tr>
<td>Payroll costs for all employees</td>
<td>£m 512.8</td>
<td>477.7</td>
</tr>
<tr>
<td>Average number of full-time equivalent employees</td>
<td>9,234</td>
<td>9,892</td>
</tr>
</tbody>
</table>

**Service agreements**
The table below sets out information on service agreements for the current Executive Directors. Executive Directors are subject to annual re-election by shareholders at each AGM of the Company.

<table>
<thead>
<tr>
<th>Executive Director</th>
<th>Date of current service agreement</th>
<th>Date employment commenced</th>
<th>Notice period to and from the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marco Gobbetti</td>
<td>11 July 2016</td>
<td>27 January 2017</td>
<td>12 months</td>
</tr>
<tr>
<td>Julie Brown</td>
<td>11 July 2016</td>
<td>18 January 2017</td>
<td>12 months</td>
</tr>
</tbody>
</table>

The Non-Executive Directors serve under Letters of Appointment with the Company. Non-Executive Directors may continue to serve subject to annual re-election by shareholders at each AGM of the Company, subject to six months’ notice by either party.

**External appointments**
Executive Directors may take up non-executive roles at other companies with the prior agreement of the Board in order to support their development and broaden their business experience. Julie Brown serves as a Non-Executive Director of Roche Holding Limited and it was agreed that fees earned in connection with this appointment can be retained by her. For the period 29 March 2020 to 27 March 2021, Julie’s fees for this appointment were CHF 360,000 gross.
Ten-year performance graph and Chief Executive Officer’s remuneration

The following graph shows the Total Shareholder Return (TSR) for Burberry Group plc compared to the FTSE 100 index assuming £100 was invested on 31 March 2011. The FTSE 100 index has been selected as the comparator because Burberry is a constituent of the index. Data is presented on a spot basis and sourced from Datastream. The table below shows the total remuneration earned by the incumbent Chief Executive Officer over the same 10-year period, along with the percentage of maximum opportunity earned in relation to each type of incentive. The total amounts are based on the same methodology as used for the single figure of total remuneration for FY 2020/21 on page 188.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total remuneration (£’000)</td>
<td>9,574</td>
<td>10,901</td>
<td>8,007</td>
<td>157</td>
<td>7,508</td>
<td>1,894</td>
<td>3,508</td>
<td>1,091</td>
<td>6,330</td>
<td>4,078</td>
<td>1,618</td>
<td>2,245</td>
</tr>
<tr>
<td>Bonus (% of maximum)</td>
<td>100%</td>
<td>75%</td>
<td>70%</td>
<td>–</td>
<td>81%</td>
<td>0%</td>
<td>0%</td>
<td>51%</td>
<td>51%</td>
<td>60%</td>
<td>0%</td>
<td>25%</td>
</tr>
<tr>
<td>ESP (% of maximum)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>5%</td>
<td>–</td>
<td>25%</td>
<td>0%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Legacy incentive plans (no longer in operation):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CIP² (% of maximum)</td>
<td>–</td>
<td>100%</td>
<td>100%</td>
<td>–</td>
<td>75%</td>
<td>0%</td>
<td>0%</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>RSP (% of maximum)</td>
<td>100%</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>0%</td>
<td>19.3%</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Exceptional award³ (% of maximum)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>61.7%</td>
<td>59.9%</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

1. Angela Ahrendts (AA, CEO to 30 April 2014), Christopher Bailey (CB, Chief Creative Officer and CEO from 1 May 2014 to 4 July 2017), Marco Gobbetti (MG, CEO from 5 July 2017).
2. The CIP was the Burberry Co-Investment Plan, a long-term incentive plan under which the final performance-based awards were granted in 2014. Details of this plan can be found in the relevant Directors Remuneration Reports.
3. The Exceptional award for Christopher Bailey relates to vesting of his 2014 exceptional share award as previously disclosed.
4. The cost of private medical insurance for the CEO was overstated in FY 2019/20 due to an administrative error and has been corrected in the allowances and benefits column of the single figure table on page 188 for the year to 28 March 2020 and in the total remuneration figure for FY 2019/20 above.
Non-Executive Directors' remuneration (audited)
The table below sets out the single figure of total remuneration received or receivable by the Non-Executive Directors in respect of FY 2020/21 (and the prior financial year).

<table>
<thead>
<tr>
<th>Non-Executive Directors</th>
<th>Year to 27 March 2021</th>
<th>Fees ( \£'000 )</th>
<th>Benefits &amp; Allowances ( \£'000 )</th>
<th>Total ( \£'000 )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gerry Murphy</td>
<td></td>
<td>403</td>
<td>1</td>
<td>404</td>
</tr>
<tr>
<td></td>
<td></td>
<td>425</td>
<td>6</td>
<td>431</td>
</tr>
<tr>
<td>Fabiola Arredondo</td>
<td>Year to 27 March 2021</td>
<td>76</td>
<td>–</td>
<td>76</td>
</tr>
<tr>
<td></td>
<td>Year to 28 March 2020</td>
<td>80</td>
<td>67</td>
<td>147</td>
</tr>
<tr>
<td>Sam Fischer</td>
<td>Year to 27 March 2021</td>
<td>76</td>
<td>–</td>
<td>76</td>
</tr>
<tr>
<td></td>
<td>Year to 28 March 20203</td>
<td>33</td>
<td>11</td>
<td>44</td>
</tr>
<tr>
<td>Ron Frasch</td>
<td>Year to 27 March 2021</td>
<td>76</td>
<td>–</td>
<td>76</td>
</tr>
<tr>
<td></td>
<td>Year to 28 March 2020</td>
<td>80</td>
<td>42</td>
<td>122</td>
</tr>
<tr>
<td>Matthew Key</td>
<td>Year to 27 March 2021</td>
<td>111</td>
<td>–</td>
<td>111</td>
</tr>
<tr>
<td></td>
<td>Year to 28 March 2020</td>
<td>115</td>
<td>3</td>
<td>118</td>
</tr>
<tr>
<td>Debra Lee</td>
<td>Year to 27 March 2021</td>
<td>76</td>
<td>–</td>
<td>76</td>
</tr>
<tr>
<td></td>
<td>Year to 28 March 20204</td>
<td>40</td>
<td>19</td>
<td>59</td>
</tr>
<tr>
<td>Dame Carolyn McCall</td>
<td>Year to 27 March 2021</td>
<td>90</td>
<td>–</td>
<td>90</td>
</tr>
<tr>
<td></td>
<td>Year to 28 March 2020</td>
<td>80</td>
<td>7</td>
<td>87</td>
</tr>
<tr>
<td>Orna NiChionna</td>
<td>Year to 27 March 2021</td>
<td>111</td>
<td>1</td>
<td>112</td>
</tr>
<tr>
<td></td>
<td>Year to 28 March 2020</td>
<td>115</td>
<td>2</td>
<td>117</td>
</tr>
<tr>
<td>Antoine de Saint-Affrique</td>
<td>Year to 27 March 2021</td>
<td>20</td>
<td>–</td>
<td>20</td>
</tr>
<tr>
<td>Former Non-Executive Directors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jeremy Darroch</td>
<td>Year to 27 March 20215</td>
<td>25</td>
<td>–</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Year to 28 March 2020</td>
<td>100</td>
<td>–</td>
<td>100</td>
</tr>
</tbody>
</table>

Notes
1. Fees include the base fee and additional Committee fees in line with the 2020 Remuneration Policy. For FY 2020/21 the additional fees for the role of the Senior Independent Director were split between Jeremy Darroch and Dame Carolyn McCall to reflect time served in role. From 1 April 2020, the Chairman and Non-Executive Directors voluntarily agreed to waive 20% of their base fee for a three-month period with the equivalent cash amount being donated by the Company to The Burberry Foundation COVID-19 Community Fund.
2. Allowances include the reimbursement of certain expenses incurred by the Non-Executive Directors in the performance of their duties, which are deemed by HM Revenue & Customs (HMRC) to be subject to UK income tax. Any tax liabilities arising on the reimbursement of these costs will be settled by the Company. Amounts disclosed have been estimated and have been grossed up at the appropriate tax rate, where necessary. Attendance allowances were not paid during FY 2020/21 as Non-Executive Directors did not travel outside their country of residence in order to attend Board and Committee meetings.
3. Fees for Sam Fischer in FY 2019/20 relate to the period from 1 November 2019 when he joined the Board.
4. Fees for Debra Lee in FY 2019/20 relate to the period from 1 October 2019 when she joined the Board.
5. Fees for Antoine de Saint-Affrique relate to the period from 1 January 2021 when he joined the Board.
6. Fees for Jeremy Darroch in FY 2020/21 relate to the period to 15 July 2020 when he stepped down from the Board.
Summary of Chairman and Non-Executive Director fees for FY 2021/22

The fee structure for the Chairman and Non-Executive Directors for FY 2021/22 is set out in the table below. There are no changes from the prior year.

<table>
<thead>
<tr>
<th>Position</th>
<th>Fee level (£’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>425</td>
</tr>
<tr>
<td>Non-Executive Director</td>
<td>80</td>
</tr>
<tr>
<td>Senior Independent Director</td>
<td>20</td>
</tr>
<tr>
<td>Audit Committee Chair</td>
<td>35</td>
</tr>
<tr>
<td>Remuneration Committee Chair</td>
<td>35</td>
</tr>
<tr>
<td>Attendance allowance</td>
<td>2</td>
</tr>
</tbody>
</table>

1. The Chairman is not eligible for Committee chairmanship fees or attendance allowances.
2. Non-Executive Directors receive an attendance allowance for each meeting attended outside their country of residence.
3. Expenses incurred in the normal course of business are reimbursed and, as these are considered by HMRC to be taxable benefits, the tax due on these will also be met by the Company.

Chairman and Non-Executive Director shareholdings (audited)

The table below summarises the total interests of the Chairman and Non-Executive Directors (and their connected persons) in ordinary shares of Burberry Group plc as at 27 March 2021 (or at the date of stepping down, if earlier).

The shareholding guideline for the Chairman and Non-Executive Directors is to hold shares with a market value of £6,000 for each year of their appointment. As at 27 March 2021 (or at the date of stepping down, if earlier), all of the Non-Executive Directors who have served more than one year since their appointment had fulfilled this guideline.

<table>
<thead>
<tr>
<th>Non-Executive Directors</th>
<th>Total number of shares owned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gerry Murphy</td>
<td>5,000</td>
</tr>
<tr>
<td>Fabiola Arredondo</td>
<td>30,000</td>
</tr>
<tr>
<td>Sam Fischer</td>
<td>3,000</td>
</tr>
<tr>
<td>Ron Frasch</td>
<td>1,738</td>
</tr>
<tr>
<td>Matthew Key</td>
<td>5,900</td>
</tr>
<tr>
<td>Debra Lee</td>
<td>970</td>
</tr>
<tr>
<td>Dame Carolyn McCall</td>
<td>2,704</td>
</tr>
<tr>
<td>Orna NiChionna</td>
<td>3,067</td>
</tr>
<tr>
<td>Antoine de Saint-Affrique</td>
<td>1,100</td>
</tr>
</tbody>
</table>

There have been no changes in the period up to and including 12 May 2021.
Remuneration Committee in FY 2020/21

Committee membership
Orna NíChionna, Fabiola Arredondo, Sam Fischer, Ron Frasch and Matthew Key served as members of the Committee throughout the year ended 27 March 2021.

Committee remit
The Committee’s Terms of Reference are published on Burberryplc.com.

In addition to setting the remuneration of the Executive Directors, the Committee continues to directly oversee the remuneration arrangements for the Executive Committee, the Company Secretary and other members of senior management within its remit as determined from time to time.

Summary of meetings
The Committee typically meets four times a year. During FY 2020/21, the Committee met six times at scheduled meetings and held other ad hoc discussions as required. Details of attendance at Committee meetings are set out on page 155. If any Committee members are unable to attend a meeting, they are given the opportunity to discuss any of the agenda items with the Committee Chair. The agenda items discussed at these six meetings are summarised below.

May 2020
- Update on shareholder consultation
- Update on external environment from independent advisors
- FY 2019/20 incentive outcomes
- FY 2020/21 performance targets and incentive awards
- BSP 2020 awards, including underpins for Executive Directors
- FY 2020/21 senior executive remuneration
- Chairman fees for FY 2020/21
- Approval of Remuneration Policy and Directors’ Remuneration Report FY 2019/20
- New shareholding guideline policy
- Update on share plan dilution

July 2020
- FY 2019/20 incentive outcomes below the Board
- FY 2020/21 incentive awards, including 2020 BSP awards for Executive Directors

August 2020
- 2020 BSP awards for Executive Directors

November 2020
- Update on external environment from independent advisors
- Feedback on investor and proxy body feedback
- FY 2020/21 incentives performance update
- November 2020 BSP awards below Board
- Output of Committee effectiveness review

February 2021
- Update on external environment from independent advisors
- Incentives performance update
- FY 2020/21 annual bonus plan framework (below the Board)
- Overview of broader employee reward and proposed engagement with the Global Workforce Advisory Forum
- Remuneration Committee annual planner

March 2021
- Update on external environment from independent advisors
- Incentives performance update
- FY 2020/21 annual bonus plan and BSP approach including brand and sustainability underpins
- Approach to Directors’ Remuneration Report FY 2020/21
- Update on the policies and practices which exist for the broader workforce
- Gender Pay Gap Report FY 2019/20
- Feedback from the February 2021 meeting of the Global Workforce Advisory Forum
- Review Committee terms of reference
Advisors to the Committee

At the invitation of the Committee, except where their own remuneration is being discussed, the following roles may attend meetings and provide advice to the Committee: the Chairman, the CEO, the CO&FO, the Chief People Officer, the VP Head of Reward, the General Counsel, and the Company Secretary.

Deloitte was appointed as an independent advisor to the Committee in 2017 following a tender process and continued in that role during the year. Deloitte is a founding member of the Remuneration Consultants’ Group (RCG), which is responsible for the development and maintenance of the voluntary Code of Conduct that clearly sets out the role of executive remuneration consultants and the professional standards by which they advise their clients. Fees are charged on a time and expenses basis and totalled £124,600 (plus VAT) during FY 2020/21. During the year Deloitte also provided other consulting services (including programme management, operating model design, technology implementation and analytics), tax compliance and advisory and transfer pricing services. The Committee is satisfied that advice received from Deloitte during the year was objective and independent and that all individuals who provided remuneration advice to the Committee have no connections with Burberry or its Directors that may impair their independence. The Committee reviewed the potential for conflicts of interest and judged that there were appropriate safeguards against such conflicts.

Linklaters LLP also provided advice to the Committee in relation to the operation of the Company’s share plans, employment law considerations and compliance with legislation.

Remuneration voting results

The table below shows the results of the latest remuneration-related shareholder votes on the Directors’ Remuneration Report, the Directors’ Remuneration Policy and the Burberry Share Plan 2020 (at the 2020 AGM).

We have continued to engage with and listen to our shareholders during FY 2020/21 as part of our commitment to build on the constructive dialogue we have established. The Committee and I would like to thank all of you who have invested time with us, as it has helped to inform our thoughts on executive remuneration at Burberry going forward.

<table>
<thead>
<tr>
<th>AGM voting results</th>
<th>Votes for</th>
<th>Votes against</th>
<th>Votes withheld</th>
</tr>
</thead>
<tbody>
<tr>
<td>To approve the Directors’ Remuneration Report for the year ended 28 March 2020 – 2020 AGM</td>
<td>324,755,420 (99.26%)</td>
<td>2,429,784 (0.74%)</td>
<td>2,049,990</td>
</tr>
<tr>
<td>To approve the Directors’ Remuneration Policy – 2020 AGM</td>
<td>305,504,279 (94.91%)</td>
<td>16,370,393 (5.09%)</td>
<td>7,360,521</td>
</tr>
<tr>
<td>To approve the Burberry Share Plan 2020 – 2020 AGM</td>
<td>314,211,094 (95.49%)</td>
<td>14,838,619 (4.51%)</td>
<td>185,480</td>
</tr>
</tbody>
</table>

Approval

This report has been approved by the Board and signed on its behalf by:

Orna NiChionna
Chair, Remuneration Committee

12 May 2021
The Directors present their Annual Report and the audited consolidated Financial Statements of the Company for the year ended 27 March 2021. For the purposes of the Companies Act 2006, the following are incorporated by reference and shall be deemed to form part of this Directors’ Report:

- Strategic Report on pages 2 to 142
- Corporate Governance Statement, which includes the Board, the Corporate Governance Report and the Directors’ Remuneration Report, on pages 146 to 203
- Global GHG emissions disclosure on pages 85 to 86

The Directors consider that the Annual Report and Accounts, taken as a whole, provide a fair, balanced and understandable assessment of the Group’s business necessary for shareholders and wider stakeholders to assess:

- development and performance during the year
- its position at the end of the financial year
- strategy
- likely developments
- any principal risks and uncertainties

For the purposes of compliance with the Disclosure Guidance and Transparency Rules 4.1.5R(2) and 4.1.8R, the required content of the management report can be found in the Strategic Report together with sections of the Annual Report incorporated by reference.

**Share capital**
Details of the issued share capital, together with details of movement in the issued share capital of the Company during the year, are shown in note 25 to the Financial Statements. This is incorporated by reference and deemed to be part of this report. The Company has one class of ordinary share, which carries no right to fixed income. Each share carries the right to one vote at general meetings of the Company. The ordinary shares are listed on the Official List and traded on the London Stock Exchange. No person has any special rights of control over the Company’s share capital and all issued shares are fully paid.

As at 27 March 2021, the Company had 404,864,359 ordinary shares in issue. The Company does not hold any shares in treasury. At the AGM in 2020, shareholders approved resolutions to allot shares up to an aggregate nominal value of £67,450, and to allot shares for cash other than pro rata to existing shareholders. In order to retain maximum flexibility, resolutions will be proposed at this year’s AGM to renew these authorities.

**Substantial Shareholdings**
As at 27 March 2021, the Company had been notified under Rule 5 of the Disclosure Guidance and Transparency Rules of the following major interests in its issued ordinary share capital:

<table>
<thead>
<tr>
<th>Number of ordinary shares</th>
<th>% of total voting rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>BlackRock Inc.</td>
<td>27,729,908</td>
</tr>
<tr>
<td>Lindsell Train Limited</td>
<td>21,928,267</td>
</tr>
<tr>
<td>Massachusetts Financial Services Company</td>
<td>20,668,065</td>
</tr>
</tbody>
</table>

1. As at the date in the notification to the Company.

As at 12 May 2021, the Company had not received any further notifications under Rule 5 of the Disclosure Guidance and Transparency Rules of major interests in its issued ordinary share capital.

**Interests in own shares**
Details of the Group’s interests in its own shares are set out in note 25 to the Financial Statements.

**Share buyback**
The Company has not undertaken a share buyback in FY 2020/21.

**Transfer of shares**
There are no specific restrictions on the size of holding or on the transfer of shares. The Directors are not aware of any agreements between holders of the Company’s shares that may result in restrictions on the transfer of securities or voting rights. The Directors have no current plans to issue shares other than in connection with employee share schemes.

**Voting**
Each ordinary share of the Company carries one vote at general meetings of the Company. Any ordinary shares held in treasury have no voting rights. A shareholder entitled to attend, speak and vote at a general meeting may exercise their right to vote in person, by proxy, or, in relation to corporate members, by corporate representatives. To be valid, notification of the appointment of a proxy must be received not less than 48 hours before the relevant general meeting at which the person named in the Form of Proxy proposes to vote. The Directors may in their discretion determine that, in calculating the 48-hour period, no account be taken of any part of a day which is not a working day. Employees who participate in the Share Incentive Plan (SIP) whose shares remain in the scheme’s trusts may give directions to the trustees to vote on their behalf by way of a Form of Direction.

**Dividend**
Our capital allocation framework is used to prioritise the use of cash generated by the Group. The framework addresses the needs of the business, regular dividend payments and additional returns to shareholders. Given the uncertainty caused by COVID-19, we believed it was
prudent to protect the Company’s liquidity position, hence an interim dividend was not declared for FY 2020/21 (FY 2019/20:11.3p).

The Directors recommend that a final dividend of 42.5p per ordinary share (FY 2019/20:0) in respect of the year ended 27 March 2021 be paid on 6 August 2021 to those persons on the Register of Members as at 2 July 2021.

The Burberry Group plc ESOP Trust has waived all dividends payable by the Company in respect of the ordinary shares it holds.

**Revenue and profit**

Revenue from continuing business during the year amounted to £2,343.9 million (2020: £2,633.1 million). The adjusted operating profit for the year was £395.9 million (2020: £433.1 million).

The profit for the year attributable to equity holders of the Company was £375.7 million (2020: £121.7 million) up 209% with the year on year increase predominantly related to partial reversal of impairment of assets recorded in the prior year.

On 12 March 2021, the Group issued a profit forecast (available on the Group's website at https://www.burberryplc.com/en/investors/results-reports.html). The profit forecast stated that the Group expected revenue and adjusted operating profit to be ahead of consensus expectations. As at 12 March 2021, those consensus expectations were that group revenue would be £2,291m and adjusted operating profit would be £328m at reported rates of exchange.

Our estimated group revenue range used to guide the market on 12 March 2021 was £2,343m to £2,369m being -11% and -10% compared to group revenue of £2,633m in FY 2019/20. Our estimated adjusted operating profit range used to guide the market on 12 March 2021 was £363m to £391m based on a range of adjusted operating profit margins of 15.5% to 16.5% as applied to the range of group revenues.

**Financial instruments and risks**

The Group’s financial risk management objectives and policies are set out within note 28 of the Financial Statements. Note 28 also details the Group’s exposure to foreign exchange, share price, interest, credit, capital and liquidity risks. This note is incorporated by reference and deemed to form part of this report.

**Going concern and viability**

The going concern statements for the Group and the Company are set out on pages 229 and 293 of the Financial Statements and are incorporated by reference and shall be deemed to part of this report. The Directors’ assessment of the prospects and viability of the Group over the next three years is set out in the Strategic Report on pages 140 to 142. The Risk and Viability Report can be found on pages 106 to 142.

**Post-balance sheet events**

In April 2021, the Group entered into agreements to sell two freehold properties which are currently owned by the Group. One of the properties is held as an investment property at 27 March 2021. The disposal of this property is expected to complete in the first half of the next financial year. The other property is held in property, plant and equipment. Its disposal is expected to complete more than 12 months after the balance sheet date. These disposals are expected to result in net cash proceeds of approximately £17 million and profits on disposal of approximately £5 million in aggregate.

**Significant contracts – change of control**

Pursuant to the Companies Act 2006, the Directors disclose that, in the event of a change of control, the Company’s borrowings under the Group’s £300 million RCF, dated 25 November 2014, could become repayable.

On 3 April 2017, Burberry entered into an exclusive licensing agreement with Coty pursuant to which Coty develops, manufactures, markets, distributes and sells Burberry Beauty products. The agreement took effect in October 2017, from which time ongoing royalty payments have been payable to Burberry. Pursuant to the Companies Act 2006, the Directors disclose that a change in control of Burberry will, in limited circumstances, result in Coty having a right of termination of the licence agreement. A small number of leases contain certain rights that may entitle landlords to terminate or approve continuation of the leases in the event that a Burberry subsidiary is transferred out of the Group or there is a change of control of Burberry Group plc; none of these are considered to be significant in terms of the potential impact on the business as a whole.

There are no arrangements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs specifically because of a takeover, merger or amalgamation. There are provisions in the Company’s share plans which could result in options or awards vesting or becoming exercisable on a change of control. For further information on the change of control provisions in the Company’s share plans refer to the Directors’ Remuneration Policy, which was approved by shareholders at the AGM on 15 July 2020. This is set out in full in the Directors’ Remuneration Report FY 2019/20, which can be found in the Annual Report 2019/20 on Burberryplc.com.

**Independent Auditor**

In accordance with section 418(2) of the Companies Act 2006, each of the Company’s Directors in office at the date of this report confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Company’s external auditor is unaware.
Health and Safety
The Company has a global Health and Safety Policy approved by the CEO on behalf of the Board. A safety-first approach is firmly embedded in all operational activities at Burberry and we have further strongly reinforced this approach as we navigated through the global pandemic. Governance of our health and safety strategy is maintained through a Global Health and Safety Committee, which is chaired by the General Counsel. Health and safety issues are also considered by the Ethics Committee, Risk Committee and Audit Committee. Each region has a local committee, which reports to the regional president. These committees assist with the implementation of our health and safety strategy and help to ensure all local regulatory and Burberry standards are achieved and maintained. Strategic direction on health and safety matters is provided by the Director of Health and Safety, who is supported by a global team. In line with industry best practice, our health and safety goals and objectives are set each year to continually analyse our performance and support a process for continuous improvement. Our unannounced global assurance audit programme continues to measure health and safety performance within our managed operations at a set frequency and tracks improvement actions and risk reduction strategies through to closure.

Political donations
The Company did not make any political donations during the year in line with its policy (FY 2019/20: £nil). In keeping with the Group’s approach in prior years, shareholder approval is being sought at the forthcoming AGM, as a precautionary measure, for the Company and its subsidiaries to make donations and/or incur expenditure, which may be construed as political by the wide definition of that term included in the relevant legislation. Further details are provided in the Notice of Meeting (Notice).

Directors
The names and biographical details of the Directors as at the date of this report are set out on pages 148 to 151 and are incorporated by reference into this report. With regard to the appointment and resignation of Directors, the Company follows the Code, and is governed by its Articles of Association, the Companies Act 2006 and related legislation. At the 2021 AGM, all Directors will stand for election or re-election as appropriate. The Notice sets out the contributions and reasons for the election or re-election of each Director. The service agreements of the Executive Directors and the letters of appointment of the Non-Executive Directors are available for inspection at the Company’s registered office on request. Brief details of these are also included on page 198 of the Directors’ Remuneration Report. For information on the Directors’ professional development see page 165.
Directors’ share interests
The interests of the Directors holding office as at 27 March 2021 in the shares of the Company are shown within the Directors’ Remuneration Report on pages 195 to 201. There were no changes to the beneficial interests of the Directors between the period 27 March 2021 and 12 May 2021.

Directors’ powers and responsibilities
Subject to the Company’s Articles of Association, the Companies Act 2006 and any directions given by special resolution, the business of the Group will be managed by the Board who may exercise all the powers of the Group, including powers relating to the issue and/or buying back of shares by the Group (subject to any statutory restrictions or restrictions imposed by shareholders at the AGM).

Directors’ insurance and indemnities
The Company maintains Directors’ and Officers’ liability insurance, which gives cover for legal actions brought against its Directors and Officers. In accordance with section 236 of the Companies Act 2006, qualifying third-party indemnity provisions are in place for the Directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. Both the insurance and indemnities applied throughout the financial year ended 27 March 2021 and through to the date of this report.

Branches
In accordance with the Companies Act 2006, the Group discloses below the subsidiary companies that have branches outside the UK:

- Burberry Limited: Hong Kong and Republic of Korea
- Burberry Brasil Comércio de Artigos de Vestuário e Acessórios Ltda: Brazil
- Burberry Saudi Company Limited: Kingdom of Saudi Arabia
- Burberry Qatar W.L.L: Qatar
- Sandringham Bahrain SPC W.L.L: Bahrain
- Burberry (Spain) Retail S.L: Portugal
- Burberry (Shanghai) Trading Co., Ltd: China

Annual General Meeting
The AGM of the Company will be held on Wednesday, 14 July 2021 at Horseferry House 2, 1a Page Street, London SW1P 2PQ. Due to the uncertainty surrounding COVID-19 and the restrictions on public gatherings that may continue to be in place at the time of the AGM, the Board believes it is in the best interest of the Company and its shareholders to hold the AGM with the minimal quorum present. As such, shareholders are strongly discouraged from physically attending the AGM.

Amendments to Articles of Association
The Company will be seeking shareholder approval to adopt new Articles of Association, by the passing of a special resolution at the upcoming AGM. The new Articles of Association reflect changes in both market practice and legal and regulatory requirements. In particular, the proposed amendments will enable and more clearly set out the process under which the Company may hold general meetings as hybrid meetings by enabling shareholders to participate via electronic means or in person. The amendments to facilitate such meetings are in line with best practice and are consistent with recent changes that have been proposed by other listed companies. A summary of the principal changes to the Articles of Association are detailed in the Notice.

Disclosures pursuant to Listing Rule 9.8.4
The following table contains information required by Listing Rule 9.8.4 where applicable. The remaining sections of listing rule 9.8.4 are not applicable.

<table>
<thead>
<tr>
<th>Listing Rule</th>
<th>Description of Listing Rule</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.8.4 (2)</td>
<td>Any unaudited financial information in a class 1 circular or a prospectus, or any profit forecast or profit estimate</td>
<td>See ‘Revenue and Profit’ paragraphs on page 205 and Trading Update dated 12 March 2021 on the Group’s website <a href="http://www.burberryplc.com/en/investors/results-reports.html">www.burberryplc.com/en/investors/results-reports.html</a></td>
</tr>
<tr>
<td>9.8.4 (5)</td>
<td>Details of any arrangements under which a director of the company has waived or agreed to waive any emoluments from the company or subsidiary undertaking</td>
<td>See pages 181, 182, 186, 188 and 200 of the Annual Report</td>
</tr>
<tr>
<td>9.8.4 (12)</td>
<td>Waivers of dividends</td>
<td>See ‘Dividends’ paragraph on page 205</td>
</tr>
</tbody>
</table>

The Strategic Report from pages 2 to 142 and Directors’ Report from pages 204 to 207 have been approved by the Board on 12 May 2021 in accordance with the Companies Act 2006.

By order of the Board
Gemma Parsons
Company Secretary

12 May 2021

Burberry Group plc
Registered Office:
Horseferry House
Horseferry Road
London
SW1P 2AW

Registered in England and Wales
Registered number: 03458224