

# ENVIRONMENTAL AND SOCIAL MEASURES

Key Performance Indicators (KPIs) help management to measure progress against our strategy.

## Non-financial KPIs

We have developed non-financial measures to assess our performance against Burberry Beyond targets, with progress regularly monitored by our Board.

For further details on environmental and social responsibility activities and FY 2023/24 progress against our Burberry Beyond targets, see pages 35 to 62. The Group has considered the non-financial reporting requirements under sections 414CA and 414CB of the Companies Act 2006 and has included details in the Annual Report.

Objective	Measure	Performance
<b>Product</b>		
<p><b>Procure certified and responsibly sourced key raw materials</b> 100% of key raw materials in our products to be certified or responsibly sourced by FY 2029/30 (as defined in our Sustainable Raw Materials Portfolio)</p>	<ul style="list-style-type: none"> <li>Percentage of key raw materials in our products certified or responsibly sourced (as defined in our Sustainable Raw Materials Portfolio) in FY 2023/24</li> </ul>	<ul style="list-style-type: none"> <li>55%<sup>A</sup> of key raw materials in our products were certified or responsibly sourced (as defined in our Sustainable Raw Materials Portfolio) in FY 2023/24</li> </ul>
	<ul style="list-style-type: none"> <li>Percentage of certified or responsibly sourced cotton</li> </ul>	<ul style="list-style-type: none"> <li>56% of cotton certified or responsibly sourced in FY 2023/24</li> </ul>
	<ul style="list-style-type: none"> <li>Percentage of certified or responsibly sourced synthetics</li> </ul>	<ul style="list-style-type: none"> <li>53% of synthetics certified or responsibly sourced in FY 2023/24</li> </ul>
	<ul style="list-style-type: none"> <li>Percentage of certified or responsibly sourced viscose</li> </ul>	<ul style="list-style-type: none"> <li>100% of viscose certified or responsibly sourced in FY 2023/24</li> </ul>
	<ul style="list-style-type: none"> <li>Percentage of certified or responsibly sourced wool</li> </ul>	<ul style="list-style-type: none"> <li>27% of wool certified or responsibly sourced in FY 2023/24</li> </ul>
	<ul style="list-style-type: none"> <li>Percentage of leather from certified tanneries</li> </ul>	<ul style="list-style-type: none"> <li>100% of leather from certified tanneries in FY 2023/24, an increase from 96% in FY 2022/23</li> </ul>
	<ul style="list-style-type: none"> <li>Percentage of certified or responsibly sourced feather and down</li> </ul>	<ul style="list-style-type: none"> <li>100% of feather and down certified or responsibly sourced in FY 2023/24</li> </ul>
<p><b>Embed circular business models</b> Continue to evolve aftercare offer and trial new circular business models</p>	<ul style="list-style-type: none"> <li>Progress against aftercare offer</li> </ul>	<ul style="list-style-type: none"> <li>In FY 2023/24, we increased the number of product categories eligible for our aftercare services, including refresh treatments for cashmere jumpers and shoe repairs</li> <li>383 stores across 33 countries and territories offer one or more aftercare services, compared to over 300 stores in 33 countries and territories in FY 2022/23</li> </ul>

<sup>A</sup> This metric was subject to external independent limited assurance by PricewaterhouseCoopers LLP (PwC). For the results of that assurance, see PwC's Independent Limited Assurance Report and Burberry's Responsibility Basis of Reporting FY 2023/24 on Burberryplc.com/impact/Resource-Hub.

Objective	Measure	Performance
<b>Product</b>		
<p><b>Eliminate plastic packaging</b></p> <p>Eliminate plastic from our consumer packaging by FY 2025/26</p>	<ul style="list-style-type: none"> <li>Progress against consumer packaging target</li> </ul>	<ul style="list-style-type: none"> <li>In FY 2023/24, we made good progress against our target by introducing new plastic-free alternatives for our consumer packaging. Our pared back offering consists of a reusable, 100% recycled cotton shopper bag for larger purchases. In store, smaller items are packaged in a Forest Stewardship Council (FSC®) certified retail bag, whereas an FSC® certified paper pouch is used to package online purchases</li> <li>100% of consumer paper-based packaging procured in FY 2023/24 was FSC® certified<sup>1</sup></li> </ul>
<p>Eliminate unnecessary plastics used in operational packaging and maximise recycled content (with at least 50% of plastic to be made from fully recycled content) by FY 2029/30</p>	<ul style="list-style-type: none"> <li>Progress against operational packaging target</li> </ul>	<ul style="list-style-type: none"> <li>53% of operational plastic packaging was made from fully recycled content (a decrease of 8% compared to FY 2022/23 due to a variation in weight of packaging)</li> <li>We continued to work on eliminating unnecessary plastics in operational packaging. For example, in FY 2023/24, we replaced plastic void fill with a recycled paper alternative across the majority of distribution hub sites. We also replaced plastic packaging tape with recycled paper sealing tape in two of our key distribution centres</li> </ul>
<b>Planet</b>		
<p><b>Reach net zero greenhouse gas (GHG) emissions across our value chain by FY 2039/40</b></p> <p>Across our own operations, we commit to reducing absolute scope 1 and 2 GHG emissions by 95% by FY 2026/27 from a FY 2016/17 base year, and to maintain this year on year from FY 2026/27 through to FY 2039/40</p> <p>Across our extended supply chain, we aim for a 46% reduction in scope 3 GHG emissions by FY 2029/30 and a 90% reduction in scope 3 GHG emissions by FY 2039/40 (from FY 2018/19)</p>	<ul style="list-style-type: none"> <li>% reduction of scope 1 and scope 2 (market-based) emissions, relative to FY 2016/17 base year</li> <li>% reduction of scope 3 emissions, relative to FY 2018/19 base year</li> </ul>	<ul style="list-style-type: none"> <li>In FY 2023/24, we maintained our performance from the previous financial year, with a 93% reduction in scope 1 and scope 2 (market-based) emissions from a FY 2016/17 base year</li> <li>100% of the electricity we consumed matched with an equivalent amount of renewable generation sourced from renewable tariffs, Energy Attribute Certificates, or generated through on-site renewables</li> <li>In FY 2023/24, our total energy consumption decreased by 36% from a FY 2016/17 baseline and by 3% from FY 2022/23</li> <li>45.9%<sup>A</sup> reduction in scope 3 emissions from a FY 2018/19 base year, and a 0.8% reduction from FY 2022/23</li> <li>Our FY 2022/23 total scope 3 emissions has been restated due to a prior year error, as described on page 44, in line with our restatement policy detailed in our Responsibility Basis of Reporting FY 2023/24 on Burberryplc.com. As a result of the restatement, our FY 2022/23 scope 3 emissions reduction is 45.5% from our FY 2018/19 base year. A full category breakdown of our scope 3 emissions, including the restated figures for FY 2022/23, can be found in our Responsibility Data Appendix 2023/24 on Burberryplc.com</li> </ul>

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1. In order to calculate the percentage of FSC® certified paper-based packaging, we have relied on the accuracy of the information supplied to us by our nominated packaging suppliers regarding the value of certified paper packaging sold to Burberry.

Objective	Measure	Performance
<b>Planet</b>		
<p><b>Embed sustainable manufacturing processes across our supply chain</b></p> <p>Extend our sustainable manufacturing initiatives, covering energy, water and waste, both within our own manufacturing and across our supply chain</p>	<ul style="list-style-type: none"> <li>Percentage of products delivered by key supply chain partners<sup>1</sup> assessed against the ZDHC Supplier to Zero (S2Z) programme requirements</li> </ul>	<ul style="list-style-type: none"> <li>89% of products delivered by key supply chain partners<sup>1</sup> assessed against the ZDHC S2Z programme requirements in FY 2023/24</li> </ul>
	<ul style="list-style-type: none"> <li>Percentage of products delivered by key supply chain partners<sup>1</sup> assessed against our water conservation framework</li> </ul>	<ul style="list-style-type: none"> <li>83% of products delivered by key supply chain partners<sup>1</sup> assessed against our water conservation framework</li> </ul>
	<ul style="list-style-type: none"> <li>Volume of raw material donations</li> </ul>	<ul style="list-style-type: none"> <li>Over 360,000 metres of fabric donated to a variety of global non-profit organisations in FY 2023/24</li> </ul>
<p><b>Protect nature</b></p> <p>Contribute to sustainable management of natural forests and support zero deforestation across our products and supply chain by FY 2025/26</p>	<ul style="list-style-type: none"> <li>Percentage of Canopy 'Green Shirt' rated viscose</li> </ul>	<ul style="list-style-type: none"> <li>100% of our viscose is Canopy 'Green Shirt' rated in FY 2023/24</li> </ul>
	<ul style="list-style-type: none"> <li>Percentage of our leather from certified tanneries</li> </ul>	<ul style="list-style-type: none"> <li>100% of our leather was procured from certified tanneries in FY 2023/24</li> </ul>
	<ul style="list-style-type: none"> <li>Percentage of paper-based packaging procured that is FSC<sup>®</sup> certified</li> </ul>	<ul style="list-style-type: none"> <li>96% of all paper-based packaging procured in FY 2023/24 was FSC<sup>®</sup> certified<sup>2</sup></li> </ul>
<b>People</b>		
<p><b>Support inclusion</b></p> <p>Achieve a 95% completion rate globally for episodes 1 and 2 of our online Diversity, Equity and Inclusion learning journey</p>	<ul style="list-style-type: none"> <li>Percentage of colleagues who have completed episodes 1 and 2 of the online training</li> </ul>	<ul style="list-style-type: none"> <li>89% of colleagues have completed episode 1 and 90% of colleagues have completed episode 2</li> </ul>
	<ul style="list-style-type: none"> <li>Percentage of female candidates shortlisted</li> </ul>	<ul style="list-style-type: none"> <li>In FY 2023/24, shortlists across all recruitment campaigns consisted of 57% female, 41% male and 2% 'other' candidates<sup>3</sup></li> </ul>
	<ul style="list-style-type: none"> <li>Percentage of ethnic minority candidates in the UK</li> </ul>	<ul style="list-style-type: none"> <li>In FY 2023/24, hiring representation in the UK consisted of 31% ethnic minority candidates<sup>3</sup></li> </ul>
<ul style="list-style-type: none"> <li>Percentage of Black/African-American candidates in the USA</li> </ul>	<ul style="list-style-type: none"> <li>In FY 2023/24, hiring representation in the USA consisted of 10% Black/African-American candidates<sup>3</sup></li> </ul>	
<p><b>Cultivate engagement</b></p> <p>Create a workplace where all our colleagues are engaged with our brand, purpose and values to drive positive business outcomes</p>	<ul style="list-style-type: none"> <li>Colleague engagement score as measured by our Glint survey</li> </ul>	<ul style="list-style-type: none"> <li>Colleague engagement score of 74 points<sup>4</sup></li> </ul>
	<ul style="list-style-type: none"> <li>Number of women globally in Director and above roles, divided by the total number of Director and above roles</li> </ul>	<ul style="list-style-type: none"> <li>Women account for 57% of the leadership population</li> </ul>

1. Key supply chain partners refers to our direct supply chain partners, including finished goods vendors and raw material suppliers.  
 2. In order to calculate the percentage of FSC<sup>®</sup> certified paper-based packaging, we have relied on the accuracy of the information supplied to us by our nominated packaging suppliers regarding the value of certified paper packaging sold to Burberry.  
 3. These values are based on candidates who chose to voluntarily disclose.  
 4. Employee engagement score as measured by Glint. Employee Engagement survey undertaken in September 2023. Engagement index based on completed survey responses only.

Objective	Measure	Performance
<b>People in our supply chain</b>		
<p><b>Advance ethical trading in our supply chain</b></p> <p>Continue to ensure our responsible sourcing standards and audit requirements are upheld by partners across our supply chain (this applies to finished goods vendors and key raw material suppliers)</p>	<ul style="list-style-type: none"> <li>• Number of onsite social compliance audits carried out in the year</li> <li>• Number of desktop social compliance assessments carried out in the year</li> <li>• Percentage of finished goods supply chain partners undergoing a social compliance audit or remaining in scope from previous audit</li> </ul>	<ul style="list-style-type: none"> <li>• 495<sup>A</sup> onsite social compliance audits carried out in FY 2023/24</li> <li>• 100<sup>A</sup> desktop social compliance assessments carried out in FY 2023/24</li> <li>• 71% of our finished goods supply chain partners have had a social compliance audit or remained in scope from previous audit</li> </ul>
<p><b>Extend wellbeing across our supply chain</b></p> <p>Extend our Supply Chain Engagement Programmes to further advance wellbeing, livelihoods, inclusivity and worker voice across our supply chain</p>	<ul style="list-style-type: none"> <li>• Number of finished goods suppliers participating in our Wellbeing Programme</li> <li>• Number of finished goods supply chain workers covered by the Wellbeing Programme</li> <li>• Number of calls to Burberry-sponsored hotlines in the last year</li> <li>• Number of workers covered by hotlines</li> </ul>	<ul style="list-style-type: none"> <li>• Nine finished goods suppliers participated in the Wellbeing Programme</li> <li>• 11,650 workers in the finished goods supply chain covered by the Wellbeing Programme, an increase from over 5,000 in FY 2022/23</li> <li>• 473 calls made to Burberry-sponsored worker hotlines, compared to 502 in FY 2022/23</li> <li>• Approximately 33,350 workers covered by Burberry-sponsored hotlines, a 22% increase from FY 2022/23</li> </ul>
<b>Communities</b>		
<p><b>Inspire young people to create better futures</b></p> <p>Positively impact 500,000 people between FY 2022/23 and FY 2025/26, particularly young people hailing from underserved communities</p>	<ul style="list-style-type: none"> <li>• Number of people positively impacted through community programmes supported by Burberry Group plc and The Burberry Foundation in FY 2023/24</li> <li>• Number of people positively impacted cumulatively through community programmes supported by Burberry Group plc and The Burberry Foundation since FY 2022/23</li> </ul>	<ul style="list-style-type: none"> <li>• 219,377 people positively impacted through community programmes supported by Burberry Group plc and The Burberry Foundation in FY 2023/24</li> <li>• 380,162 people positively impacted cumulatively through community programmes supported by Burberry Group plc and The Burberry Foundation since FY 2022/23</li> </ul>
<p><b>Increase volunteering opportunities for colleagues</b></p> <p>25% of Burberry colleagues actively engaged in volunteering and fundraising activities by FY 2025/26</p>	<ul style="list-style-type: none"> <li>• Percentage of colleagues engaged in volunteering and fundraising activities</li> <li>• Number of volunteering and fundraising projects supported by Burberry colleagues</li> <li>• Number of charities supported through volunteering, match funding and in-kind donations</li> </ul>	<ul style="list-style-type: none"> <li>• 8%<sup>1</sup> of colleagues engaged in volunteering and fundraising activities in FY 2023/24</li> <li>• 139 volunteering and fundraising projects were supported by Burberry colleagues in FY 2023/24</li> <li>• 92 charities were supported through volunteering, match funding and in-kind donations</li> </ul>

<sup>A</sup> This metric was subject to external independent limited assurance by PricewaterhouseCoopers LLP (PwC). For the results of that assurance, see PwC's Independent Limited Assurance Report and Burberry's Responsibility Basis of Reporting FY 2023/24 on Burberryplc.com/impact/Resource-Hub.

1. Figure excludes colleague headcount where there are data restrictions on the Spark volunteering and fundraising platform.

# A MORE SUSTAINABLE FUTURE FOR LUXURY AND BEYOND



## OUR BURBERRY BEYOND STRATEGY

As a brand with a deep connection to the outdoors, we strive to act responsibly with respect to the environment, the communities in which we operate and those employed within our business and wider supply chain.

Burberry is a global business operating in a variety of environments and contexts. As an open and caring company, we are committed to behaving responsibly towards our planet, our people and the communities we impact, and we continue to embed sustainable practices across our Company footprint.

Our Burberry Beyond strategy, with its Product, Planet, People and Communities pillars, outlines the steps we are taking to achieve our goals. We continue to make strong progress against our 12 targets (see table below) and have been working to embed and operationalise our strategy by collaborating with teams across the business and our supply chain.

To ensure we continue to prioritise and act on our most material Environmental, Social and Governance (ESG) topics, we will regularly conduct double materiality assessments in line with upcoming regulations, such as the European Union's Corporate Sustainability Reporting Directive (CSRD). Insights from this assessment will act as our guiding principles for complying with regulation requirements alongside any future strategy development.

We are in the process of completing our first double materiality assessment and its preliminary findings have been used to guide our disclosures for FY 2023/24.

Our Burberry Beyond strategy is supported by four pillars which encompass our key areas of focus. We have set 12 targets that allow us to track progress as we work towards creating lasting positive change.

Product	Planet	People	Communities
<p><b>Responsible craftsmanship</b></p> <ol style="list-style-type: none"> <li>1. Procure certified and responsibly sourced key raw materials</li> <li>2. Embed circular business models</li> <li>3. Eliminate plastic packaging</li> </ol> <p>Read more from page 37</p>	<p><b>Climate Positive</b></p> <ol style="list-style-type: none"> <li>4. Reach net zero greenhouse gas emissions across our value chain by FY 2039/40</li> <li>5. Embed sustainable manufacturing processes across our supply chain</li> <li>6. Protect nature</li> </ol> <p>Read more from page 41</p>	<p><b>Champion Diversity, Equity and Inclusion and people in our supply chain</b></p> <ol style="list-style-type: none"> <li>7. Support inclusion</li> <li>8. Increase representation</li> <li>9. Advance ethical trading in our supply chain</li> <li>10. Extend wellbeing across our supply chain</li> </ol> <p>Read more from page 48</p>	<p><b>Positively impact young people</b></p> <ol style="list-style-type: none"> <li>11. Inspire young people to create better futures</li> <li>12. Increase volunteering opportunities for colleagues</li> </ol> <p>Read more from page 58</p>

# EMBEDDING BURBERRY BEYOND

## Governance

Embedding Environmental and Social Responsibility into our governance structures supports the delivery of our strategy and our commitments.

The Board is responsible for ensuring our approach to environmental and social matters is integrated into and implemented across the business. The Board delegates regular oversight of environmental matters to relevant Committees responsible for governing the Group's strategy on environmental and social matters, including strategy and disclosures (as outlined below).

Our Sustainability Committee, chaired by our CEO, is responsible for the Product and Planet pillars of our Burberry Beyond strategy. Together, these pillars and their targets make up our Group's environmental agenda. The Committee met nine times in FY 2023/24 and reported to the Board twice on progress towards our environmental targets. Key actions taken by the Committee in FY 2023/24 include approving our ReBurberry consumer initiative and reviewing Burberry's preparations for complying with forthcoming ESG-related regulations.

The Ethics Committee oversees the governance of our People pillar, including the governance of human rights risks and due diligence in our supply chain. Where risks are identified, they are reported by management to the Ethics Committee, which directly reports to the Audit Committee. The Ethics Committee also has oversight of our Communities pillar as it reviews the Company's charitable donations twice a year.

This governance structure ensures the implementation of all four Burberry Beyond pillars across the business. The Board receives regular updates and key information relating to environmental and social matters.

Our full governance framework is outlined in the Corporate Governance Statement on page 107.

## Managing Environmental and Social Responsibility

The CEO, who has accountability for Environmental and Social Responsibility performance at executive level, delegates managerial oversight of environmental and social responsibility matters to our Corporate Responsibility team. This team, led by the Vice President of Corporate Responsibility, comprises over 40 experts globally, with expertise ranging from carbon accounting through to raw material sourcing and ethical trading. The Corporate Responsibility team acts as a centre of excellence, guiding the operationalisation of our strategy by collaborating with teams across the business, including Sustainable Finance, Sustainable IT, Legal, and Human Resources. We also have Sustainable Manufacturing and Responsible Sourcing teams embedded within our Supply Chain function ensuring the delivery of our Burberry Beyond targets across our value chain.

## Colleague engagement

We believe that all colleagues have a role to play in delivering our Burberry Beyond strategy. We seek to inspire, educate and equip our people with the tools to do so through training, events, strategic communications and engagement opportunities.

In FY 2023/24, we grew our Sustainability Professionals Network to over 350 members, representing multiple areas of the business, including IT, Finance, Marketing and Internal Manufacturing. The network, which is open to all Burberry colleagues globally, is an active and engaged community with members who support each other in decision-making, information sharing and championing best practice. Members have access to insights, events and webinars on topics including Burberry Beyond updates, industry trends, best practice and upcoming regulations.

This year, the Corporate Responsibility team conducted training on a number of sustainability topics for teams across the business (see Product section, pages 37 to 40, for further details). We will continue to expand our sustainability training, with a particular focus on developing the relevant skills, knowledge and competencies required for colleagues to contribute to the delivery of our strategy.

## Reward

The remuneration of the Executive Directors is partly linked to our progress in building a more sustainable future, including progress towards the Group's longer-term climate goals, via the annual bonus plan and a sustainability underpin in the Burberry Share Plan (BSP).

In FY 2023/24, 25% of the annual bonus for Executive Directors was once again linked to performance against strategic objectives linked to our strategy and brand as well as our environmental and social targets. There will once again be a sustainability underpin in the 2024 BSP award for the Executive Directors. More details of this are set out in the Directors' Remuneration Report on pages 125 to 142.

In FY 2023/24 we began linking a proportion of our annual corporate bonus plan for the wider workforce to the achievement of sustainability metrics in our Product and Planet pillars. This has been well received by colleagues and demonstrates the value we place on sustainability as part of our strategy.

## Traceability

Traceability enables us to assess and manage the environmental and social risks associated with raw material sourcing, while acting as an enabler for meeting wider strategic goals, such as product and supply chain decarbonisation in support of our net zero transition. Additionally, traceability is central to the Company's compliance with existing and incoming ESG regulations.

In FY 2022/23, we set ourselves a target to have full traceability of key raw materials by FY 2029/30 delivered through our traceability programme. Using a third-party traceability tool, we have successfully implemented a traceability pilot for cotton, wool and synthetics with our key suppliers, allowing us to track these fibres back to the country of origin. We continue to scale this programme at pace, with the ambition of reaching 80% traceability of cotton, synthetics and wool by FY 2025/26, and will include additional materials in line with our FY 2029/30 raw material targets.

# PRODUCT

## Introduction

Through textile innovation, Thomas Burberry elevated outerwear performance and enhanced its ability to protect explorers from the elements. Today, we are challenging ourselves to again harness creativity to play our part in protecting our planet. In line with our Company's strategy, we are incorporating certified and responsibly sourced key raw materials into our products, embedding circular business models into our ways of working and eliminating plastic from our packaging, while at the same time reducing our use of resources.

## Policies

Our Product pillar is underpinned by our Responsible Raw Materials Sourcing Policy, which outlines our requirements for value chain partners and colleagues, as well as our commitments to responsible raw materials sourcing. The policy (available on [Burberryplc.com](https://www.burberryplc.com)) also outlines our requirements with respect to packaging, and animal welfare and testing.

Our Beauty licensee, Coty, publishes its own Against Animal Testing Policy & Programme, which is available on [Coty.com](https://www.coty.com).

## Approach

As part of our Product strategy, environmental considerations are factored into the decisions we take with respect to the design and manufacture of our products.

In FY 2023/24, we introduced the Sustainable Raw Materials Portfolio, which details the certification and responsible sourcing criteria accepted for each raw material we procure. The document is regularly reviewed to ensure the best available sourcing criteria are included and considered. We also set targets for each business unit to track progress against use of the guidelines, including setting performance objectives for relevant teams and individuals. The Sustainable Raw Materials Portfolio is already embedded within merchandising plans and design briefs, resulting in all ready-to-wear clothing in our Burberry Classics collection being made with a main material containing at least 70% organic or 50% recycled content.

We also use consumer insights and our annual Brand Health Tracker to inform this agenda and deepen customer engagement.





## Procure certified and responsibly sourced key raw materials

**Target:** 100% of key raw materials in our products are to be certified or responsibly sourced by FY 2029/30 (as defined in our Sustainable Raw Materials Portfolio)

In FY 2022/23, we set a target for all key raw materials in our products to be certified and traceable by FY 2029/30. We have since updated our target strategy to take a portfolio approach to raw materials used in our products, recognising the need for multiple raw material sourcing standards. Our Sustainable Raw Materials Portfolio sets out the accepted certification and responsible sourcing criteria across our raw materials, which allow us to track our progress in this area. Our traceability target to FY 2029/30 remains in place as a key enabler of our Burberry Beyond strategy.

### Progress

In FY 2023/24, 55%<sup>A</sup> of key raw materials in our products were certified or responsibly sourced (as defined in our Sustainable Raw Materials Portfolio).

This financial year, six key raw materials (as listed below) were included in the scope of our target. These represent over 90% of the total volume (in weight) of main materials within our products.

% of certified or responsibly sourced key raw materials	FY 2023/24
Cotton	56%
Synthetics (nylon, polyester and TPU)	53%
Viscose	100%
Wool	27%
Leather	100%
Feather and down	100%

Please refer to our Responsibility Data Appendix 2023/24 on [Burberryplc.com](http://Burberryplc.com) for detailed data and calculation methodology.

During FY 2023/24, we updated our calculation methodology to align with external reporting requirements and best practice (see our Responsibility Basis of Reporting FY 2023/24 on [Burberryplc.com](http://Burberryplc.com) for details). We have made progress for all key raw materials, or maintained 100% certification, excluding wool where we updated our methodology for calculating our performance against target. Our Corporate Responsibility team drove progress against our target by partnering with internal teams and working with supply chain partners to champion the use of responsibly sourced materials. Organic cotton and

recycled synthetics were strong driving forces of this year's performance. This is partly due to the launch of our Burberry Classics collection, a core commercial range, where all ready-to-wear clothing had a main material containing responsibly sourced materials (at least 70% organic or 50% recycled content). In addition, 100% of leather in FY 2023/24 was sourced from certified tanneries driven by strong engagement with our sourcing teams and suppliers.

Furthermore, to support the delivery of our raw materials targets, we delivered training to over 300 colleagues involved in key stages of the product development and raw material sourcing processes. We also have a team leading the development and integration of innovative materials. We are working with an Italian supplier and third-party technology supplier to develop and trial the use of hydroponic cotton. This cotton is grown through soil-less farming in a vertical greenhouse, resulting in the same high-quality cotton but with lower water usage.

## Embed circular business models

**Target:** Continue to evolve our aftercare offer and trial new circular business models

We are working to create a more sustainable fashion industry and meet changing consumer expectations. Burberry products are expertly crafted using materials of the highest quality, so they are designed to last. Through innovations in circular business models, we aim to keep products and materials in use for longer.

### Progress

#### Aftercare

Our increasingly popular aftercare services ensure our customers can enjoy their purchases for longer. In FY 2023/24, we expanded our refresh and repair services to include reproofing for select rainwear garments using organic biodegradable solutions, refresh treatments for cashmere jumpers, and shoe repairs.

#### Repair and refresh

By the end of FY 2023/24, over 380 stores across 33 countries and territories offered one or more of our aftercare services. Approximately 43,000 products were repaired or refreshed using these services during the year. Please see our Responsibility Data Appendix 2023/24 on [Burberryplc.com](http://Burberryplc.com) for a breakdown of these services.

To support client engagement, we rolled out a dedicated services training series to just over 2,200 Retail Client Advisors, so they can inform customers about our work in-store and via our various customer service channels.

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### Rental

This year, we continued exploring alternative ways for customers to experience our products, including through rental partnerships and adapted product offerings.

We continued our partnership with My Wardrobe HQ in the UK, through which members can rent Burberry outerwear, ready-to-wear, bags and accessories. Our most rented items include dresses and bags, which are typically hired for a four-day period. Our trial with Cocoon handbag subscription service, which began in February 2023, is ongoing.

### Resale

In FY 2023/24, we announced a partnership with global luxury resale platform Vestiaire Collective in the UK and USA. Customers can trade in Burberry women's outerwear and handbags on the Burberry x Vestiaire Collective platform in exchange for a Burberry gift card, which can be used in-store or online. All pre-loved Burberry pieces are available to purchase globally through Vestiaire Collective.

### Remake

We launched our first product upcycle programme during FY 2023/24. Using the cashmere upcycle service, customers in the UK can have visible signs of wear and tear on their Burberry cashmere scarf repaired with custom embroidery, appliqués and personalised touches. This service helps extend the life of the product while at the same time giving it a bespoke finish.



## Eliminate plastic packaging

**Target:** Eliminate plastic from our consumer packaging by FY 2025/26

**Target:** Eliminate unnecessary plastics used in operational packaging and maximise recycled content (with at least 50% of plastic to be made from fully recycled content) by FY 2029/30

Managing our use of plastic is key to reducing the environmental impacts associated with our products and operations.

### Progress

In FY 2023/24, we made good progress against our target to eliminate plastic from our consumer packaging by introducing new plastic-free alternatives.

To minimise and reduce waste, we now take a minimalist approach to our consumer packaging. Our pared-back offering comprises a reusable 100% recycled cotton shopper bag for larger purchases and paper pouches or retail bags for smaller items. All of our consumer paper-based packaging is widely recyclable and (FSC®)<sup>1</sup> certified, reflecting our commitment to support zero deforestation and sustainable forest management.

We also removed all hardware such as zips and snaps from our new plastic-free garment covers to facilitate recyclability, and limited the types of purchases packaged with them to rainwear and tailoring. Garment covers and dust bags are made with 60% recycled cotton.

We continued to work on eliminating unnecessary plastics in operational packaging by replacing plastic void fill with a recycled paper alternative across the majority of distribution hub sites. We also replaced plastic packaging tape with recycled paper sealing tape in two of our key distribution centres. Testing is ongoing in all other sites. Finally, we removed plastic polybags used for shoes and now exclusively use dustbags comprised of 60% recycled cotton. In FY 2023/24, 53% of operational plastic packaging was made from fully recycled content (compared to 61% in FY 2022/23).

We also collaborated with industry experts and The Fashion Pact to progress our FY 2029/30 target to eliminate unnecessary plastic in our operational packaging.

**“Our 2025 plastic elimination target for customer packaging goes hand in hand with elevating the luxury customer experience. For example, we have replaced our plastic hangers with reusable, lightweight FSC® certified wooden hangers.”**

Niclas Ekerot

Vice President, Retail Excellence



1. In order to calculate the percentage of FSC® certified paper-based packaging, we have relied on the accuracy of the information supplied to us by our nominated packaging suppliers regarding the value of certified paper packaging sold to Burberry.

# PLANET

## Introduction

Burberry's heritage is embedded in the natural world. The Planet pillar of our Burberry Beyond strategy outlines how we manage our most significant environmental impacts and dependencies to mitigate material risks and realise opportunities while contributing to global efforts to tackle climate change and nature loss.

## Policies

Our Global Environmental Policy (available on [Burberryplc.com](https://www.burberryplc.com)) sets out our commitment to environmental responsibility and the standards we uphold across our value chain. These principles are mandatory and apply to all of our operations and supply chain partners' activities. Supplier environmental performance is monitored systematically (see 'Embed sustainable manufacturing' section on pages 45 to 46).

## Approach

Climate Positive is our approach to delivering our Planet pillar commitments. We are working to reach net zero GHG emissions by FY 2039/40, extend our sustainable manufacturing programmes, and contribute to the sustainable management of natural forests.

Our pillar objectives are delivered by the Corporate Responsibility and Sustainable Manufacturing teams working in close collaboration with other internal teams and supply chain partners to drive performance against our targets. Through cooperation between key operational teams, including Supply Chain, Merchandising, Sourcing and Strategy, we ensure environmental management remains integral to day-to-day business processes and decisions.



## Reach Net Zero by 2040

**Target:** Reach net zero greenhouse gas emissions across our value chain by FY 2039/40

Reducing GHG emissions and managing climate-related risks are material to the long-term success of our business. We are dedicated to reducing our scope 1, 2 and 3 emissions and are embedding this commitment into our organisational strategy with the ultimate aim of becoming Net Zero by 2040. Our emissions reduction targets are aligned to a 1.5°C pathway and have been validated by the Science-Based Targets initiative (SBTi) against their Corporate Net-Zero Standard. We are assessing whether we will be required to set separate SBTi FLAG (Forest, Land and Agriculture) targets within our overall Net Zero by 2040 commitment.

Our approach to decarbonisation is to maximise absolute reductions through effective energy efficiency and carbon reduction projects, before compensating for any residual emissions through high-integrity and certified carbon credits in line with the SBTi's Corporate Net-Zero Standard. See the Global GHG emissions table on page 43 for the number of carbon credits we purchased in FY 2023/24. Our Burberry Beyond Climate Positive 2040 report details our strategic direction and plan to reduce GHG emissions across our operations and supply chain.

### Progress

We are committed to business-wide decarbonisation, and during FY 2023/24, focused on building the internal capacity and momentum required to develop and operationalise our long-term transition plan.

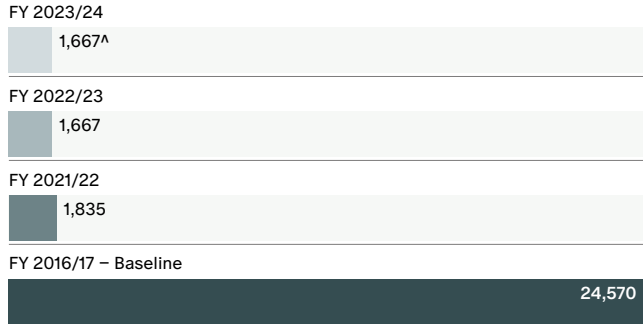
Delivering our Net Zero by 2040 target will require short-, medium- and long-term solutions driven by a broad range of teams across the business. In FY 2023/24, we began conducting cross-functional strategy "sprints" to identify feasible and effective solutions to our biggest blockers to achieving net zero emissions by 2040. Using insights gathered from our scope 3 emissions data (see our Responsibility Data Appendix 2023/24 on Burberryplc.com for the emissions category breakdown), we identified impact areas and actions to address. These areas cover each stage of our product lifecycle, from selection of raw materials to circular initiatives.

## Scope 1 and 2

**Target:** Across our own operations, we commit to reducing absolute scope 1 and 2 GHG emissions by 95% by FY 2026/27 from a FY 2016/17 base year, and to maintain this year on year from FY 2026/27 through to FY 2039/40

In FY 2018/19, we set an SBTi-approved target to reduce our absolute scope 1 and 2 emissions by 95% by FY 2022/23 compared to a FY 2016/17 baseline. We set this commitment knowing that the target was ambitious but with the intention that it would help us drive change at pace. With new plans now in place, we have extended the deadline to FY 2026/27 and will maintain the 95% reduction year-on-year to FY 2039/40.

## Scope 1 and 2 GHG emissions



Total scope 1 and 2 market-based emissions (tonnes CO<sub>2</sub>e).

<sup>^</sup> This metric was subject to external independent limited assurance by PricewaterhouseCoopers LLP (PwC). For the results of that assurance, see PwC's Independent Limited Assurance Report and Burberry's Responsibility Basis of Reporting FY 2023/24 on Burberryplc.com/impact/Resource-Hub.

### Progress

We reduced absolute scope 1 and 2 emissions from our own operations by 93% from our FY 2016/17 baseline, maintaining our FY 2022/23 reduction performance.

Key to our emissions reductions from FY 2016/17 has been the continued use of renewable electricity throughout our operations. In FY 2023/24, we maintained the progress made in the previous financial year, with 100% of the electricity we consumed matched with an equivalent amount of renewable generation sourced from renewable tariffs, Energy Attribute Certificates, or generated through on-site renewables. We now have solar panels installed at our headquarters in London and our distribution sites in Italy and the USA. We have also begun improvement works at our distribution site in Blyth, UK, where we are installing solar panels, furthering on-site generation in our own operations.

In conjunction with our use of renewable electricity, we are focused on delivering emissions reductions through energy efficiency. In FY 2023/24, our total energy consumption decreased by 36% from a FY 2016/17 baseline and by 3% from FY 2022/23. Over the past financial year, we carried out a series of energy audits across our retail stores, offices, manufacturing sites and distribution hubs in line with the Energy Efficiency Directive (EED) and Energy Savings Opportunity Scheme (ESOS) energy regulations in the UK and Europe. Through these audits we identified more immediate opportunities to increase energy efficiency, including maximising lighting efficiencies through LED upgrades and improving the management of heating and cooling systems using temperature boundaries. We also identified more ambitious improvements, such as upgrading heating systems and replacing single-glazed windows in stores to reduce heat loss.

Delivery of our scope 1 and 2 emissions reduction target continues to be supported by ensuring our buildings meet high energy efficiency standards. In FY 2023/24, we obtained the LEED Gold certification in 32 additional stores and the BREEAM Excellent certification at one more store, our Bond Street flagship, making a total of 105 certified stores since FY 2018/19.

## Global GHG emissions

	Current reporting year 2023/24		Reporting year 2022/23		Reporting year 2021/22	
	Global	UK and offshore only	Global	UK and offshore only	Global	UK and offshore only
Total energy including: purchase of electricity, the operation of any facility, combustion of fuel for facilities and vehicles/kWh	54,735,836 <sup>A</sup>	15,402,415	56,262,614	15,518,973	72,548,109	18,517,153
Scope 1 – Combustion of fuel and operation of facilities (Tonnes CO <sub>2</sub> e)	1,545 <sup>A</sup>	1,056	1,585	1,082	1,768	1,311
Scope 1 – Combustion of fuel from owned or leased transport (Tonnes CO <sub>2</sub> e)	122	3	82	2	67	1
Scope 2 – Electricity purchased and used for operations (location based) (Tonnes CO <sub>2</sub> e)	17,308 <sup>A</sup>	1,998	17,692	1,872	25,866	2,390
Scope 1 and 2 – Total emissions (location based) (Tonnes CO <sub>2</sub> e)	18,975 <sup>A</sup>	3,057	19,359	2,956	27,701	3,702
Scope 2 – Electricity purchased and used for operations (market based) (Tonnes CO <sub>2</sub> e)	0 <sup>A</sup>	0	0	0	0	0
Scope 1 and 2 – Total emissions (market based) (Tonnes CO <sub>2</sub> e)	1,667 <sup>A</sup>	1,059	1,667	1,084	1,835	1,312
Total emissions offset by Verified Emissions Reduction Certificates (Tonnes CO <sub>2</sub> e)	1,667	1,059	1,667	1,084	1,835	1,312
Scope 1 and 2 intensity (location-based) (Tonnes CO <sub>2</sub> e per £1,000,000 sales revenue)	6.4	N/A	6.3	N/A	9.8	N/A
% of energy and electricity consumption (kWh) sourced from renewable sources (%)	84% <sup>A</sup>	63%	84%	62%	86%	61%

Burberry applies an operational control approach to defining its organisational boundaries. Data is reported for sites where it is considered that Burberry has the ability to influence energy management. Data is not reported for sites where Burberry has a physical presence but does not influence the energy management for those sites, such as a concession within a department store. Overall, the emissions inventory reported equates to 97% of our net selling space square footage. Burberry uses the Greenhouse Gas Protocol (using a location- and market-based approach to reporting scope 2 emissions) to estimate emissions and applies conversion factors from UK BEIS, IEA and RE-DISS. All material sources of emissions are reported. Refrigerant gases were deemed not material and are not reported. Market-based emissions globally and for the UK relating to purchased electricity within our operations (scope 2) are stated as zero due to us procuring an amount of renewable electricity equivalent to 100% of our annual consumption. GHG emissions data reported is based on the period from 1 April 2023 to 31 March 2024. The Company's financial accounting period is from 2 April 2023 to 30 March 2024. However, references to FY 2023/24 for the selected Responsibility indicators included in the Environmental and Social Responsibility section of Burberry's Annual Report 2023/24 refer to the period 1 April 2023 to 31 March 2024.

<sup>A</sup> This metric was subject to external independent limited assurance by PricewaterhouseCoopers LLP (PwC). For the results of that assurance, see PwC's Independent Limited Assurance Report and Burberry's Responsibility Basis of Reporting FY 2023/24 on [Burberryplc.com/impact/Resource-Hub](https://www.burberryplc.com/impact/Resource-Hub).

## Scope 3

**Target:** Across our extended supply chain, we aim for a 46% reduction in scope 3 GHG emissions by FY 2029/30 and a 90% reduction in scope 3 GHG emissions by FY 2039/40 (from FY 2018/19)

### Progress

During FY 2022/23, we reassessed our methodology for calculating scope 3 GHG emissions, specifically in regards to estimations within Category 1 (Purchased Goods and Services). As a result, we have revised our spend-based calculations for sub-categories within Category 1, accounting for 0.3% of total scope 3 emissions in FY 2023/24. This is considered a change in methodology for the baseline year, and the correction of an error in FY 2021/22 and FY 2022/23 data. In line with our restatement policy, as described in our Responsibility Basis of Reporting FY 2023/24 on Burberrypc.com, we have restated our FY 2022/23 scope 3 emissions in order to correct this error. To ensure clarity and consistency in the comparison between our year-on-year performance, we have applied this new methodology to our FY 2023/24 calculations as detailed in our Responsibility Basis of Reporting FY 2023/24 (available on Burberrypc.com). Our FY 2018/19 baseline and FY 2021/22 remain unchanged due to being below our restatement threshold. As a result of the restatement, our FY 2022/23 scope 3 emissions reduction is 45.5% from our FY 2018/19 base year.

Our methodology for accounting and reporting GHG emissions is aligned with the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. A full category breakdown of our scope 3 emissions, including the restated figures for FY 2022/23, can be found in our Responsibility Data Appendix 2023/24 on Burberrypc.com.

Overall, in FY 2023/24, our scope 3 GHG emissions decreased by 0.8% from FY 2022/23 and by 45.9%<sup>^</sup> from our FY 2018/19 base year, against which we are measured for our 2030 and 2040 science-based targets.

Our scope 3 emissions performance is largely determined by both the volume of products we produce and our product mix. However, we continue to make targeted interventions to ensure we are working to reduce our carbon emissions over the coming years in line with our 2030 and net zero targets.

With the vast majority of our scope 3 GHG emissions arising from our extended supply chain, we are focusing on five key impact areas to drive action and progress: 1) Raw Materials, 2) Circularity and Reducing Product-related Waste, 3) Supply Chain Decarbonisation, 4) Sustainable Transportation and 5) Operational Decarbonisation. These impact areas are also the focus of our cross-functional transition planning initiated this financial year. Further details about initiatives under each of these areas are provided in the Decarbonising our Value Chain section of the Burberry Beyond Climate Positive 2040 report on Burberrypc.com.

We have made additional progress in driving decarbonisation across our purchased goods and services by increasing the uptake of certified and responsibly sourced raw materials and further investment into innovative materials.

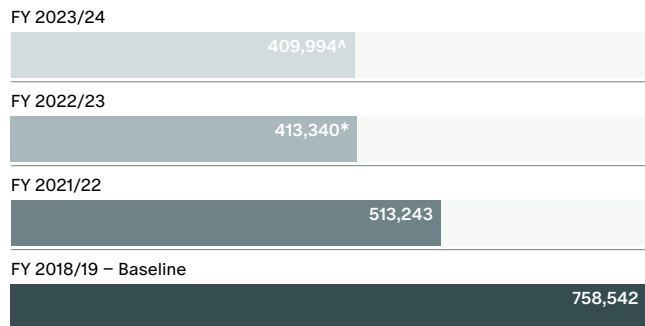
As cashmere contributes significantly towards our raw material emissions, we are part of a cross-industry Life Cycle Assessment coordinated by Textile Exchange with the aim of improving our understanding of its environmental impact. This builds on actions we are already taking to reduce emissions associated with cashmere sourcing and production, including phasing out the use of virgin cashmere in specific product categories.

We are also taking steps to reduce the amount of excess materials generated and increase material donations to external partners to both extend the life of materials already procured and avoid further emissions associated with excess materials (see page 46 for detail on textile and leather donations).

In other key impact areas, we are working to drive reductions in transportation and logistics emissions. This includes reducing the proportion of finished goods transported by air between our vendors to our hubs year on year, focusing instead on less carbon-intensive modes of transport such as sea- and road-freight.

We are working with supply chain partners to promote energy efficiency and transition to renewable electricity as part of our actions to reduce emissions. Specifically, we track energy performance across our finished goods production sites. In FY 2023/24, 70% of our finished goods vendors globally used electricity from renewable sources.

### Scope 3 GHG emissions



Total scope 3 emissions (tonnes CO<sub>2</sub>e).

<sup>^</sup> This metric was subject to external independent limited assurance by PricewaterhouseCoopers LLP (PwC). For the results of that assurance, see PwC's Independent Limited Assurance Report and Burberry's Responsibility Basis of Reporting FY 2023/24 on Burberrypc.com/impact/Resource-Hub.

<sup>\*</sup> FY 2022/23 total scope 3 emissions has been restated due to a prior year error as described on page 44. Please see our Responsibility Data Appendix 2023/24 (on Burberrypc.com) for a full category breakdown of our scope 3 emissions including the FY 2022/23 restated figures. Additional details of our methodology are available in our Responsibility Basis of Reporting FY 2023/24 on Burberrypc.com.

<sup>^</sup> This metric was subject to external independent limited assurance by PricewaterhouseCoopers LLP (PwC). For the results of that assurance, see PwC's Independent Limited Assurance Report and Burberry's Responsibility Basis of Reporting FY 2023/24 on Burberrypc.com/impact/Resource-Hub.

## Embed sustainable manufacturing

**Target:** Continue to extend our sustainable manufacturing initiatives, covering sustainable chemical management, water and waste, both within our own manufacturing and across our supply chain

Our work with our value chain goes beyond reducing GHG emissions to encompassing the sustainable management of resources and production processes. Our commitment to implementing our sustainable manufacturing programme within our supply chain ensures we are lowering both our dependencies and our impact across key environmental topics. Our dedicated Sustainable Manufacturing team is responsible for implementing and monitoring this programme.

### Progress

#### Chemicals

Our approach to sustainable chemical management is to drive systemic change and achieve zero discharge of hazardous chemicals across the industry. Our Chemical Management Programme ensures safer products, reduced exposure for communities in and adjacent to our supply chain, and cleaner water and air emissions into the environment.

Our Burberry Manufacturing Restricted Substances List (MRSL) prohibits all Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) in addition to the Zero Discharge of Hazardous Chemicals (ZDHC) MRSL. Our Burberry Product Restricted Substances List (PRSL) ensures the safety of our products through monitoring and robust testing standards.

We are implementing the ZDHC Supplier to Zero (S2Z) programme across our value chain to ensure that the best practices in sustainable chemical management are adopted. In FY 2023/24, 89% of products were delivered by key supply chain partners<sup>1</sup> assessed against the ZDHC S2Z programme requirements. We work to continuously improve the quality of our supply chain effluents and therefore require wet processors to perform wastewater testing in line with the ZDHC Wastewater Guidelines. The results are published annually on Burberryplc.com.

Over the last 10 years, along with our luxury peers, third-party suppliers and external chemical experts, we have helped to shape the direction of the industry on the chemical management roadmap. Since 2014, Burberry has been an active member of the ZDHC and, in 2023, our chemical management implementation was recognised as Aspirational for the third consecutive year, the highest attainable level in ZDHC's Brands to Zero Leader Programme.

For more details and data on our Chemical Management Programme, please refer to our Responsibility Data Appendix 2023/24 on Burberryplc.com.

#### Water

We are committed to preserving water for future generations. Our Water Conservation Programme focuses on increasing resource efficiency, reducing our water impacts and increasing water resilience. To achieve this, we work closely with our key supply chain partners<sup>1</sup>, cultivating a culture of openness and transparency to address our water impacts at the manufacturing stages of our value chain.

As part of this programme, we have developed a water resilience assessment to help us identify potential hotspots, defined as sites where water management levels are disproportionate to their levels of water intensity and risk. The assessment acts as a roadmap to improve water management at our partners' sites, by promoting a better understanding of their water demand, driving water efficiency and water recycling, and encouraging greater disclosure.

In FY 2023/24, 83% of products were delivered by key supply chain partners<sup>1</sup> assessed against our water conservation framework. We have improved our resilience profile annually through partner engagement, capacity building and direct support. The percentage of products delivered by partners with low levels of water resilience (Red/Hotspot) decreased from 11% in FY 2022/23 to 4.25%, while the percentage of products delivered by partners with good levels of water resilience (Green/Excellent) increased from 36.7% to 47.9%. For a full breakdown of our assessment and results, please refer to our Responsibility Data Appendix 2023/24 on Burberryplc.com.

Following our assessment, we work with potential hotspot sites to co-develop strategies to improve their water resilience. We aim to have zero hotspots by 2030.

Additionally, we are working to understand our products' water footprint to inform innovation efforts in water efficient technologies and materials. Beyond our manufacturing value chain, water is a key resource for raw material production. We are taking steps to mitigate our impacts and risks at this stage of the value chain. For example, Burberry's raw material certification targets aim to embed best practice environmental management, including minimising water impacts (see page 38 for more detail on these targets).

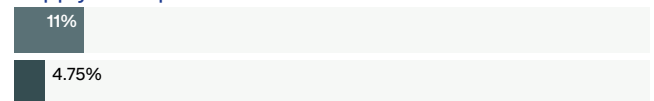
We report on our approach to managing water-related climate risks, such as water stress and flooding, in our Task Force on Climate-related Financial Disclosures (TCFD) on pages 66 to 79.

We are improving the reach of our assessment framework, and in turn our supply chain profile, and we recognise the need for greater collaboration to drive systemic change. See page 62 for details of the partnerships we have established to deliver on this.

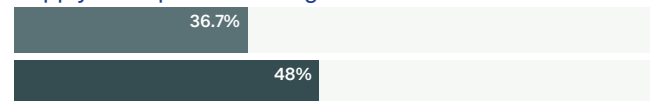
#### Key supply chain partners assessed in FY 2023/24



#### Supply chain partners with low levels of water resilience



#### Supply chain partners with good levels of water resilience



Legend: ■ FY 2023/24 ■ FY 2022/23

Note: Figures are based on % product units delivered by key supply chain partners in the relevant financial year.

1. Key supply chain partners refers to our direct supply chain partners including finished goods vendors and raw material suppliers.



## Waste

We are committed to embedding circular principles and reducing waste across our operations and direct supply chain. Our waste hierarchy outlines our preferred approach to reducing waste across our footprint, including at the design stage, in the supply chain and in merchandising. From most preferred to least preferred, we endeavour to Rethink, Reduce, Reuse, Recycle and Recover. Our preferred approach is to avoid waste before it is created by designing and planning with circularity and the inefficiencies that lead to waste creation in mind.

Where waste still occurs, we continue to expand existing routes while developing new partnerships and solutions. We manage our stock position closely by proactively allocating current stock across channels and regions to meet demand.

To help our customers keep their Burberry products in use for longer, we have been expanding our aftercare services and embedding circular business models. More details regarding our circularity programmes can be found on pages 38 to 39.

### Operational waste

To minimise and reduce waste across our own operations in FY 2023/24, we diverted 100% of operational waste from landfill with an average recycling rate of 74% in our own operations (compared to 71% in FY 2022/23).

### Non-stock waste

We have introduced Sustainability Principles to reduce the overall impact of marketing activity, events, visual merchandising and gifting. These Principles are mandatory for all external partners and internal Marketing and Production teams. A key component of the Sustainability Principles consists of detailed guidance for extending the life of materials where possible, as aligned to our waste hierarchy. For example, in collaboration with UpCycle Labs, a UK-based recycling partner, we repurposed our Bond Street flags from our London takeover in September 2023 into unique Thomas Burberry busts awarded to colleagues recognised by our annual internal Icon Awards.

We prioritise re-use where possible, giving products and props a second life. In FY 2023/24, we donated 20 metric tonnes of old props, retail furniture and visual merchandising to our charity partner Vitruvium. This includes 43 rolls (approximately 13 metric tonnes) of carpet previously used in our FY 2023/24 shows and events. Following our most recent Burberry Winter 2024 show, we donated 193 custom fleece cushions to the Royal Society for the Prevention of Cruelty to Animals (RSPCA) London East, RSPCA Thanet and RSPCA Leybourne.

## Donations

### Textile and leather waste

We recognise the fashion industry's shared challenge with respect to the environmental impacts of excess fabric and textile waste. Supply chain efficiency and management of materials is a key area of focus. By putting in place systems to optimise the procurement and utilisation of our materials and finished goods, we can reduce their associated climate impacts.

Working closely with our supply chain partners, we collaborate to increase recycling and repurposing of textile and leather offcuts through shared partners.

We continue to donate excess materials, including textile, leather, yarns, trims and mannequins, to charities and design schools globally. In FY 2023/24 we donated over 360,000 metres of fabric to a variety of global non-profit organisations, including the British Fashion Council, Leeds Beckett University, and Progetto Quid.

### Finished goods

We provide finished goods donations to schools, charities and social enterprises. This includes our long-time partner and UK based charity, Smart Works, which provides clothing and coaching to help women secure employment. In FY 2023/24, we donated 2,650 items of business clothing to Smart Works for clients to wear during job interviews. In the USA, we donated over 2,000 units of clothing to Good360, an organisation that distributes urgently needed goods to charities that need them the most.

## Protect nature

**Target:** Contribute to sustainable management of natural forests and support zero deforestation across our products and supply chain by FY 2025/26

This year, we initiated the development of a nature strategy to manage our most material nature-related impacts, dependencies, risks and opportunities in our value chain and beyond. This will build on our existing commitment to contribute to sustainable management of natural forests and support zero deforestation, and our alignment with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD).

## Progress

### Deforestation and sustainable forest management

In FY 2023/24, for the second straight year, 100% of our procured viscose was 'Green Shirt' rated in Canopy's Hot Button Ranking. This ensures suppliers have been audited and assessed as low risk of sourcing from Ancient and Endangered Forests, and are ZDHC-compliant.

Regarding packaging, our retail bags and gift boxes are FSC® certified, guaranteeing that the paper used is made of responsibly sourced wood fibre and does not come from endangered forests. Additionally, we are enhancing our sustainable practices by ramping up the sourcing of eco-friendly cardboard for both consumer and operational packaging. In FY 2023/24, 96% of our paper-based packaging was FSC® certified<sup>1</sup>.

We are also committed to avoiding deforestation and forest degradation driven by the sourcing of leather (please see our Responsible Raw Materials Sourcing Policy on Burberryplc.com for more details). In FY 2023/24, we sourced 100% of our leather from certified tanneries (compared to 96% in FY 2022/23). This increase in sourcing certified leather was driven by strong engagement with our sourcing teams and suppliers.

1. In order to calculate the percentage of FSC® certified paper-based packaging, we have relied on the accuracy of the information supplied to us by our nominated packaging suppliers regarding the value of certified paper packaging sold to Burberry.

### Partnerships with raw material producers

The Burberry Regeneration Fund supports regenerative farming projects in our supply chain to promote biodiversity, improve soil carbon and support livelihoods in local communities. In partnership with PUR, a certified B Corp and provider of nature-based solutions, we work with wool producers in Australia to promote regenerative farming practices across 12 farms. With support from PUR, the farmers are implementing practices such as seeding new pasture grasses, setting aside wildlife corridors, and installing new fencing and paddocks to allow more rotational grazing.

In addition, we have partnered with a major cotton supplier to trial sourcing cotton produced in Southern USA using organic and regenerative practices. This cotton is certified by both the Global Organic Textile Standard (GOTS) and Regenagri and supports our mitigation of water- and biodiversity-related risks by reducing water consumption, preserving soil health and avoiding the use of harmful chemicals.

### Protecting nature beyond our own value chain

In FY 2023/24, we took further action to support nature protection and restoration beyond our own value chain. For example, 2024 marks the second year of our three-year ecological restoration and conservation programme in partnership with the Hainan Provincial Bureau of International Economic Development, the Educational Department of Hainan Province, the Forestry Department of Hainan Province and Hainan Reform and Development Research Foundation. In line with Mainland China's national sustainability goals and Burberry's net zero agenda, this programme aims to restore the ecosystems in key areas across Hainan and preserve the island's tropical forestry, mangrove ecosystems and biodiverse habitats.

# PEOPLE

## Introduction

People are at the heart of our business and operations and our direct colleagues and those in our supply chain are critical to our success. We work to create an inclusive culture and environment where creative minds from different backgrounds can collaborate and flourish.

We respect and uphold human rights wherever we operate and we work to enhance the wellbeing of all workers in our supply chain through dedicated initiatives. Read more from page 54.

## Policies

Our people-focused policies and procedures are aligned to our commitment to being an open, inclusive and caring employer, and assist us in supporting our colleagues throughout their career at Burberry.

Our Code of Conduct includes our key policies and processes and sets the behaviours expected of our people and Burberry business associates. It reiterates the principles of respect, fairness and compliance inherent in our Company values, and our intention as a business to comply with local laws and regulations.

By championing inclusivity and diversity, we foster a workplace culture where our people can thrive. Our Global Diversity, Equity and Inclusion Policy includes clear guidelines and accountability measures to ensure we attract and retain a diverse workforce. For example, Burberry's Global Parental Leave Policy offers all eligible employees 18 weeks of parental leave at full pay and the opportunity to work a 30-hour week at full pay for a further four weeks on their return.

We review our Global Diversity, Equity and Inclusion Policy annually and continue to work with external organisations to ensure inclusive practices and procedures are upheld across Burberry, where we exercise fairness and ensure that people with disabilities are equally considered. We make reasonable adjustments for people with disabilities (including any colleagues who have become disabled) throughout their

career at Burberry and ensure our online materials, career site, policies and processes are inclusive of people with both visible and non-visible disabilities. For example, to support fair and objective performance management, we provide training and guidance for line managers that emphasises evaluating colleagues based on skills, capability and demonstrated performance. We also offer leaders and line managers (including those involved in the recruitment process) training covering unconscious bias awareness and mitigation strategies to ensure all are candidates and colleagues assessed based on their experience, merit and contributions.

Our operations are also governed by our Global Health and Safety Policy, ensuring appropriate measures are in place to provide safe and healthy environments for our people and those visiting Burberry's premises. We follow all applicable guidelines and procedures relevant to our industry and local laws.

We are committed to engaging with our people, customers and suppliers not only in accordance with legislation but also ethically and with independence and integrity. Our Anti-Bribery and Corruption Policy outlines the steps taken to prevent bribery and corruption in connection with Burberry. Everyone associated with Burberry is expected to conduct themselves in accordance with the highest ethical standards at all times.

## Approach

Our approach to supporting our people and meeting our targets requires collaboration between teams across the business. We leverage the strengths and capabilities of different departments and pool expertise and resources to achieve our targets.

Our values underpin our People strategy. They serve as guiding principles and help to maintain a positive, open and inclusive culture while driving growth through high performance.

Our Diversity, Equity and Inclusion principles supplement our values and are hardwired into how we operate as a business to help us advance, understand and support our people globally.



## Evolving our culture with the values that unite us

We recognise and reward our people for what they do as well as how they demonstrate Burberry's leadership behaviours.

These considerations shape merit and pay decisions, annual bonus outcomes and awards under the Burberry Share Plan for our senior leaders. A proportion of our colleague bonus is also linked to the achievement of key targets in the Product and Planet pillars of our Burberry Beyond strategy.

### Elevating leadership capability

At Burberry, our leaders act as the guiding compass for our people. Their actions and behaviours set the standard for what is expected and guide our organisation's culture. During FY 2023/24, we focused on elevating leadership capabilities and developing a more closely connected senior leadership community. We introduced training for our Director and above community. We also worked with an external partner to provide our senior leadership community with sessions that identified actions and behaviours that can elevate leadership qualities and bolster engagement within teams.

### Cultivating colleague engagement

Throughout FY 2023/24, we supported our people in building behaviours and habits to maintain their engagement and wellbeing. Alongside the continuation of our longstanding summer and winter programmes, offering wellbeing days and other benefits, we launched our first global B:Well Week, featuring initiatives addressing mental, physical, social and financial wellbeing.

Acknowledging the challenges presented by the macro-economic environment, we launched a dedicated financial wellbeing microsite in November as part of Talk Money Week. This platform offers resources and guidance on various financial topics, providing essential support for navigating economic complexities.

In FY 2023/24, we enhanced our Diversity, Equity and Inclusion education programmes and introduced dedicated training sessions on the topic of psychological safety. The sessions explored how to create high-performing teams built on trust and discussed barriers to driving a culture of inclusion, respect and reflection.

Our global resolution framework supports our psychological safety training. Launched in 2022, the initiative aims to foster a culture of speaking up and ensuring early, consistent and lasting resolution of employee concerns. Our global framework has played a pivotal role in building trust and instilling a people-centred, dialogue-driven approach to workplace issues, and earned Burberry the Personnel Today HR Impact Award in 2023.

## Culture Hacks

This year, we introduced 'Culture Hacks' sessions, which brought teams together to boost understanding of our values. The immersive sessions addressed how our Leadership Standards guide our colleagues and empower them to work in ways that align with our values while also progressing our Company strategy.

Colleagues took part in a number of activities, including outlining what our values mean to them and demonstrating them through provided images. Groups also developed two cartoon storyboards depicting scenarios related to Burberry's values. In one storyline the characters adhered to Burberry's values and performed well, whereas in the second, they did not, which resulted in them encountering performance-limiting obstacles.

Following the sessions, teams reported feeling a deeper connection to and understanding of our values.



## Empowering our people through Diversity, Equity and Inclusion

Our Diversity, Equity and Inclusion principles are woven into our global colleague journey, from fostering an open and inclusive culture to investing in global education programmes, which encourage our people to be curious and challenge behaviours.

### Diversity, Equity and Inclusion pillars

Attracting and retaining diverse talent

Fostering an open and inclusive culture

Educating and raising awareness

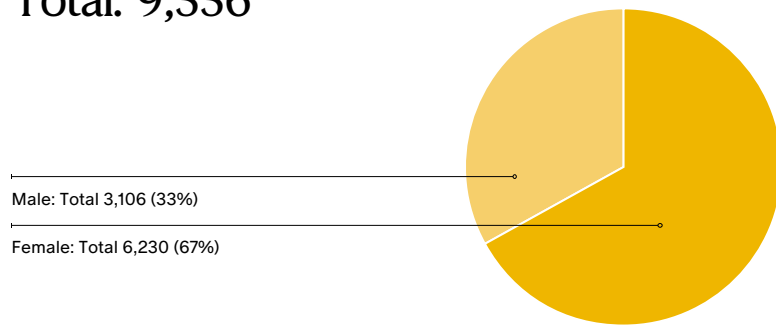
Implementing a global approach

### Diversity in our workforce

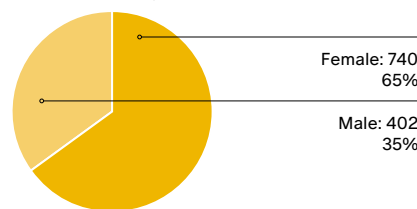
Understanding the diversity in our workforce enables us to leverage the strengths and experiences of our people to deliver our business strategy.

In FY 2023/24, we launched a campaign encouraging our colleagues to voluntarily share their diversity information. This data enables us to design policies and initiatives to support a diverse, equitable and inclusive workforce. For example, we developed a trans-inclusive language guide to support our transgender and non-binary colleagues, as well as those connected to trans and non-binary communities, to help facilitate conversations on this topic.

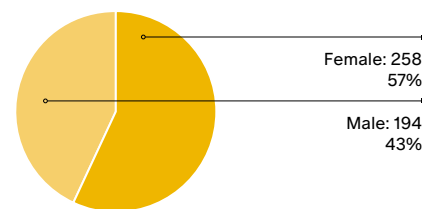
### All workforce<sup>1</sup> Total: 9,336



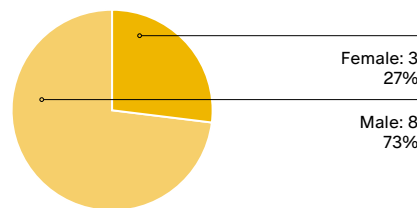
### Junior Managers Total: 1,142



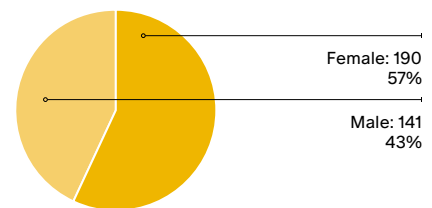
### Senior Managers Total: 452



### Executive Committee Total: 11



### Leadership (Director and above)<sup>2</sup> Total: 331



1. See more details regarding our people data in our Responsibility Data Appendix 2023/24 available on Burberryplc.com.  
 2. Senior managers as defined in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

## Our commitment to fair pay

We are committed to ensuring that all our colleagues are paid in a way that is both fair and equitable. We are dedicated to the promotion and adoption of the UK real Living Wage within our own operations and are proud to be the first luxury retailer and manufacturer to achieve accreditation as a UK real Living Wage employer. In April 2024, we implemented a pay increase of 12% for approximately 1,000 colleagues in the UK. This increase was above the recommended 10% real Living Wage increase.

We are also dedicated to the promotion and adoption of the UK real Living Wage across our supply chain. Our longest-standing supplier, Johnstons of Elgin, the manufacturer of Burberry's Heritage Cashmere Scarves, also holds the Living Wage Employer accreditation.

We are committed to paying all colleagues fairly and providing them with competitive total reward. We regularly undertake pay analysis to ensure total reward is in line with their level and experience, and at a competitive and fair market rate. We have voluntarily disclosed ethnicity pay and bonus gap data for three consecutive years, underscoring our dedication to transparency and monitoring progress.

Our talent acquisition strategy adopts an inclusive approach, placing value on diversity, authenticity and passion in the ever-evolving fashion landscape. We partner with our professional community network and a range of creative institutions, including The British Fashion Council, The Outsiders Perspective and The BRIT School, to bolster our diverse talent pipeline and drive representation across the business.

## Attracting and retaining diverse talent

**Target 1: Ensure shortlists across all recruitment campaigns are gender balanced**

FY 2023/24 shortlists across all recruitment campaigns consisted of 57% Female, 41% Male, 2% Other<sup>3</sup>

**Target 2: Aim to increase hiring representation to 25% ethnic minority candidates in the UK**

FY 2023/24, hiring representation in the UK consisted of 31% ethnic minority candidates<sup>3</sup>

**Target 3: Aim to increase hiring representation to 25% Black/African-American candidates in the USA**

FY 2023/24, hiring representation in the USA consisted of 10% Black/African-American candidates<sup>3</sup>

We focus on ensuring that every stage of our recruitment process is fair. Steps we have taken include ensuring all job descriptions are gender neutral, using standardised interview forms, and running mandatory unconscious bias training for talent acquisition teams.

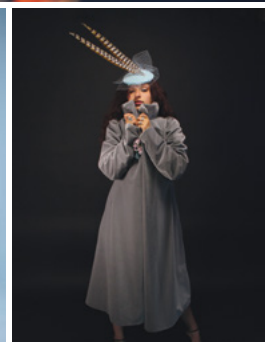
## The BRIT School

In 2023, we announced a partnership with The BRIT School to support fashion education and assist young people from diverse backgrounds to enter the creative industry. As part of the two-year collaboration, we sponsored the school's University of the Arts London-accredited Fashion, Styling and Textile course which covers a range of technical skills, including textiles, pattern cutting, photography, styling, fashion illustration and graphic design.

Our sponsorship of the course enables the school to maintain world-class facilities and provide off-site educational visits at no cost to families.

We also participated in The BRIT School's enrichment programme, which facilitates mentorship and panel sessions from industry experts, including colleagues from our Product Design teams.

In addition, we introduced the Burberry Stepping Stones Bursary Prize, which provides financial support to two graduating final-year students from global majority backgrounds pursuing creative careers.



3. These values are based on candidates who chose to voluntarily disclose.

## Our early careers development programmes

We believe that talent can be found in a wide variety of locations. We want to diversify where we find our talent, as well as how we hire our people. As part of this ambition, we have enhanced our early careers talent acquisition programmes, including our Graduate Design Programme and our Undergraduate Programme.

In September, we welcomed our first cohort of undergraduate placement students into a range of functions across the business, including Corporate Responsibility, Finance, Merchandising and Supply Chain.

The programme begins with a Brand Immersion Day, during which the students hear from leaders across the business about Burberry's unique history, brand values, iconic products and global operations.

“I’ve already learnt a lot about Burberry as a luxury fashion company and about media marketing in general. I think this placement gives an accurate representation of what working in the fashion industry is really like.”

2023 Undergraduate Placement Student

## Championing inclusivity

We have several Employee Resource Groups (ERGs) across Burberry to support our people and champion what matters to them. Our core ERGs are: Women Empowered, Empowered Black Network (EBN), LATINX, Sustainability, Working Parents, Asians in America, LGBTQIA+, Women in Tech, and Disability and Neurodiversity.

Founded by colleagues in our Creative, Digital and Communications teams, our Disability and Neurodiversity ERG is a network where members can feel understood and empowered. It is also an environment where colleagues can learn more about disability, the ways it impacts our workplace and how to advocate for change.

Our Women Empowered ERG focuses on opening inclusive spaces for members to connect, share experiences and learn from each other. During the year, Women Empowered joined forces with Women in Tech and participated in the #IAmRemarkable Google empowerment pilot event, which took participants on a journey to recognise their personal and professional value and shared techniques on how to be comfortable with self promotion.

This collaborative spirit not only elevates individual skills and confidence but also creates a powerful network that champions women's rise to leadership positions and excellence across Burberry. We continue to stay connected with our ERGs, providing guidance on best practice to grow their influence and impact on our global workforce.

“As a sister to someone with a visible disability, launching an ERG for Disability and Neurodiversity is crucial and of great significance to me. It plays a vital role in raising awareness, promoting understanding, and driving meaningful action toward creating a more inclusive environment for everyone at Burberry. It’s not just about advocating for myself but also for my brother and others like him.”

Disability and Neurodiversity ERG Co-founder

### Investing in the development of our people

People are our most valuable asset. We believe that continuous growth and development equips our people to adapt to evolving demands and increases resilience in their roles. To support personal development, we offer a range of in-person and virtual resources, including our self-directed digital learning platform, B Learning, and our internal Apprenticeship Programme.

Created in collaboration with our people and delivered by external training providers, our Apprenticeship Programme offers Burberry colleagues the opportunity to enhance their skills in over 30 disciplines by undertaking further education alongside their role.

We also raise awareness by facilitating conversations between our colleagues and offering learning opportunities in an open and supportive environment. By doing so, we empower our

colleagues to become meaningful allies, fostering a culture of inclusivity and ensuring that every member of the organisation understands, respects and celebrates diversity, equity and inclusion in their daily interactions and decision-making processes.

#### Support Inclusion

89% completion of Episode 1 Mitigating Bias

90% completion of Episode 2 Allyship

## Empowering our Burberry leaders

We believe that great leadership guides our organisation, setting the tone for our culture and inspiring our people to reach their full potential. We have a structured framework of three global programmes, each building upon the other, designed to guide all Burberry leaders at pivotal milestones in their careers. Our Manager Development Programme (MDP), Senior Manager Development Programme (SMDP) and Executive Development Programme (EDP) have been crafted to elevate leadership capabilities and demonstrate our Leadership Standards.

Our EDP is tailored exclusively for Directors and above. This programme is designed to develop senior leaders' flexibility and agility, traits crucial for success, particularly

in times of change and uncertainty. The initiative integrates our Leadership Standards and enhances leadership capabilities through a blend of internally and externally led workshops, peer discussions, networking opportunities and self-directed development. Over seven months, participants engage in 10 hours of learning, including a comprehensive six-month one-on-one coaching component in collaboration with behavioural change specialists MindGym.

In 2023, Burberry received the Gold Brandon Hall Award\* for Best Advance in Coaching and Mentoring, recognising innovation for the design and implementation of our EDP.

## Styling 101

In line with our strategic priorities to drive category growth and grow our elite client base, our Retail Excellence team joined forces with Condé Nast College of Fashion & Design to create the Styling 101 Programme, a one-of-a-kind, tailor-made training programme designed to elevate retail teams' styling and selling skills.

Over 90 top performing Client Advisors from our global retail network embarked on a 16-week learning journey, which included videos sharing insights from both internal and external experts, as well as challenging weekly styling tasks.

To boost engagement in the programme, we featured industry leaders from Vogue, including Global Editorial Director of Condé Nast, Dame Anna Wintour CH DBE, former Editor-in-Chief of British Vogue and European Editorial Director of Vogue, Edward Enninful OBE, and Global Network Lead and European Deputy Editor of Vogue, Sarah Harris. The learning journey concluded with a regional in-person graduation moment during which participants were awarded certificates from Condé Nast College of Fashion & Design.



\* Submissions for the award were entered by organisations from around the world, ranging from large conglomerates to small businesses, government and non-profit organisations. Entries were evaluated by a panel of veteran independent senior industry experts, Brandon Hall Group analysts and executives based on the following criteria:

1. Alignment to business need and environment
2. Programme design, functionality and delivery
3. Adoption, integration, user experience, innovation and creativity
4. Overall effectiveness, impact and measurable benefits



# PEOPLE IN OUR SUPPLY CHAIN

## Introduction

Our commitment to supporting our people and their wellbeing extends to those across our value chain. Core to this agenda is respecting and upholding human rights, combating the risk of modern slavery, and increasing transparency throughout our supply chain. We collaborate across our sector with our partners and with external experts, to protect and nurture luxury craftsmanship and traditional techniques.

## Policies

Our Responsible Business Principles are designed to ensure the wellbeing of people involved in the manufacturing of our products and safeguard all involved against human rights breaches. These Principles are incorporated into our contractual agreements with external partners during onboarding. They include our Ethical Trading Code of Conduct, which sets out standards to protect the rights of workers across our supply chain, as well as policies that aim to protect vulnerable workers, such as a Migrant Worker Policy and Child Labour and Young Worker Policy. Any violations of our Ethical Trading Code of Conduct must be remedied in line with our Partner Non-Compliance Policy.

## Approach

### Supply chain risk assessment

To identify our most material human rights impacts, risks and opportunities, we conduct a Human Rights Impact Assessment (HRIA) of our operations and activities and those of our extended supply chain every two years. We have implemented this process since 2014, and continue to evolve and develop our due diligence approach as well as our Ethical Trading Programme.

Our FY 2022/23 impact assessment identified four key areas where human rights violations are more likely to be identified across our finished goods vendors and raw materials suppliers. These are:

- Working and living conditions, including access to health services
- Worker voice
- Diversity, equity and inclusion
- Modern slavery

Over the last year we have implemented several mitigation actions focused on these areas. These include:

- Developing an enhanced wellbeing strategy to support our supply chain partners in improving working conditions and workers' happiness at work. We have also rolled out our Health Programme, which provides workers with vital access to health training and services, based on their needs
- Continuing to expand the reach of our Burberry-sponsored NGO-operated hotlines, which are now accessible to approximately 33,350 workers, a 22% increase from FY 2022/23
- Strengthening our collaboration with the International Organisation for Migration (IOM) to provide our supply chain partners with training and access to services regarding the ethical recruitment of migrant workers in their own supply chains. The training provides best practices to support the integration of migrant workers into the local workshop population

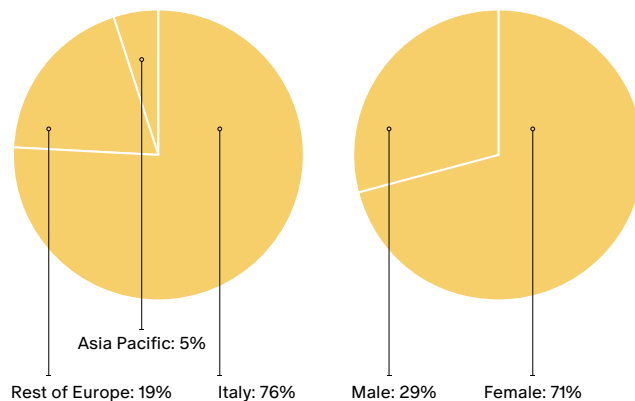


Finished goods  
production sites

679

Total workforce  
in finished goods  
production sites

62,230



## Due diligence

During FY 2023/24, we refined our human rights strategic approach for our wider value chain. To ensure we are prepared for upcoming human rights due diligence legislation, we have undertaken a robust review of our due diligence model with the support of external experts to ensure it meets the expectations of our external stakeholders, such as international regulations, consumers, investors and governments. This included a gap assessment, allowing us to develop an enhanced due diligence approach, which has been validated by external consultants and will be implemented over the next year and beyond.

Our strategic approach, which supports our commitment to fully embed human rights into our business practices, consists of four steps: Integrate, Enhance, Transform and Engage. Full details of our approach is available in our Transparency in the Supply Chain and Modern Slavery Statement FY 2023/24 available on Burberryplc.com.

Our human rights due diligence encompasses and integrates all the activities we put in place to identify and manage social risks in our product supply chains. Human rights due diligence dictates the overarching set of activities we deem appropriate to:

- Assess the risk, in combination with the human rights impact assessment and via supply chain partner onboarding
- Mitigate the risk, via our Ethical Trading Programme
- Prevent the risk, with capacity building activities and risk-focused awareness raising sessions deployed by international entities (such as IOM) designed to prevent serious violations of human and labour rights of migrant workers across our product supply chain
- Listen to and act on workers' voice, with a specific grievance mechanism managed by international hotline service providers

Our enhanced due diligence methodology is designed to ensure a robust approach across all risk management dimensions and provide adequate abidance to upcoming key regulations particularly those relevant to enforcing human rights protection.

## Advance ethical trading in our supply chain

**Target:** Continue to ensure our responsible sourcing standards and audit requirements are upheld by partners across our supply chain (this applies to finished goods vendors and key raw material suppliers)

Our Ethical Trading Programme aims to ensure that the identification, monitoring and mitigation of human rights risks are considered at every point along our value chain, as well as adherence to our Responsible Sourcing Standards. To achieve this, we have a programme of social compliance audits, in addition to training and activities developed in collaboration with experts on modern slavery and ethical trading risks, as well as with stakeholders in our value chain.

Audits to assess compliance with our Ethical Trading Code of Conduct (social compliance audits) are carried out across our supply chain, with external partners conducting audits in some cases. Under our current approach to due diligence, all our supply chain partners are screened and assessed at the onboarding stage to identify any human rights and modern slavery risk. We conduct a desktop social compliance assessment during onboarding before any new supply chain partner is approved. This includes our partners acknowledging and signing our Responsible Business Principles, to ensure mutual agreement that any form of modern slavery is not permitted under any circumstances. Based on the findings of the desktop risk assessment, suppliers will either be approved for production or will require a full on-site social compliance audit. All audited facilities receive a corrective action plan, with our Corporate Responsibility team collaborating to monitor and support implementation. As part of our regular monitoring activities, we aim to ensure partners' ongoing compliance and continuous improvement against agreed corrective action plans, providing support and guidance where needed. The frequency and types of audits implemented are dependent on the individual partner's previous audit grading and the associated risk.

## Progress

We have a target that all our material<sup>1</sup> finished goods suppliers are audited against our Ethical Trading standards, and 71% of our finished goods suppliers were either audited or remained in scope of their most recent audit in FY 2023/24.

Only 1% of our finished goods supply chain partners were identified to have Critical or Business Critical findings and were managed in line with our Critical procedure in FY 2023/24. The main areas of non-conformance with our standards were related to health and safety<sup>2</sup> and working hours. We will continue to work with our partners to identify the root cause of these issues and implement actions to address and prevent them.

Where there is non-compliance, we require our supply chain partners to implement a corrective action plan to make progress and meet all our corporate responsibility standards.

1. Material meaning the top 80% of finished goods suppliers by volume and value or any finished goods supplier or material supplier who is deemed in need of an on-site social compliance audit (this is decided based on our Social Risk matrix).

2. For example, inadequate training around health and safety, or inadequate fire safety management.

### Supply chain training

Training our supply chain partners to understand, identify, mitigate and manage modern slavery risks is a key component of our Ethical Trading Programme. Suppliers receive training during onboarding to ensure they have a strong understanding of the importance of transparency during social compliance audits and of our critical issues.

We have continued our collaboration with the IOM, broadening our global programme of training on modern slavery to cover country-specific risks facing migrant workers, fair and ethical recruitment, employer responsibilities, migrant workers' risks and integration of migrant workers. This training reached 246 supply chain partners across 15 countries and territories and impacted approximately 57,690 workers in FY 2023/24.

We ensure a continuous in-depth analysis and investigation of supply chain related issues through training sessions, which we facilitate and are delivered both by the Responsibility team and external consultants. This year, training topics were primarily regarding our new due diligence model that aligns to upcoming EU human rights legislation, and how our VOP partners can ensure their own due diligence processes are updated to meet these new requirements.

We are committed to ensuring the programme remains effective and to keep engaging new partners in the programme. During FY 2023/24, we engaged three new partners across our EMEIA supply chain. The programme is now in place at 24 suppliers reaching 20,547 workers across 310 subcontractors, covering 52% of our EMEIA product supply chain.

#### Social Compliance Overview FY 2023/24

Onsite social compliance audits	Finished goods supply chain partners that have had a social compliance audit or remained in scope from previous audit
<b>495<sup>^</sup></b>	<b>71%</b>
Desktop social compliance assessments	
<b>100<sup>^</sup></b>	

#### Vendor Ownership Programme FY 2023/24

<b>24</b> vendors participating in the VOP	<b>310</b> subcontractors
Over <b>20,500</b> workers impacted by the VOP	Covering <b>52%</b> of our EMEIA supply chain

### Vendor Ownership Programme (VOP)

In order to promote social compliance audits throughout the tiers of our supply chain, we continue to extend our capacity building programme, the VOP. This programme provides our VOP partners in the EMEIA region with support to develop and run their own programme of social compliance audits within their supply chains. Regular audits focused on human rights as well as on health and safety are conducted both by our VOP partners' appointed resources and by our internal Responsibility team, against the Ethical Trading Code of Conduct. Based on the results of the audit, improvement action plans are developed, and shared with our partners' supply chain, who work on bridging the gaps identified.

### Worker grievance mechanisms

We seek to ensure that employees and workers in our supply chain have access to confidential support and advice. We provide grievance mechanisms for our employees, including a global helpline which is managed by an independent company. We also sponsor confidential hotlines run by NGOs for workers in our supply chain which provide advice on workers' rights and wellbeing as well as confidential support.

Throughout the year, together with our NGO partner, we have continued to conduct awareness-raising sessions to promote the use of the confidential hotline to supply chain workers, highlighting its benefits and all services provided. Approximately 77% of all complaint calls have been addressed and responded to, with the remaining cases still being addressed by the suppliers with the support of the NGO. Grievance resolution is regularly monitored by the Corporate Responsibility team.

<sup>^</sup> This metric was subject to external independent limited assurance by PricewaterhouseCoopers LLP (PwC). For the results of that assurance, see PwC's Independent Limited Assurance Report and Burberry's Responsibility Basis of Reporting FY 2023/24 on [burberrypc.com/impact/Resource-Hub](https://www.burberrypc.com/impact/Resource-Hub).

## Worker Grievance Mechanisms FY 2023/24

473

calls made to hotlines

Approximately

33,350

workers in our supply chain covered  
by Burberry-sponsored confidential  
worker hotlines

Approximately

80%

of the finished goods production sites we  
source from are covered by national and/or  
industrial collective bargaining agreements

Our Ethical Trading Code of Conduct recognises the right for employees to join trade unions and have collective bargaining. Approximately 80% of the finished goods production sites we source from are covered by national and/or industrial collective bargaining agreements and many have established union representation, enabling workers to remain informed and involved in discussions about their rights.

Further information on human rights and ethical trading can be found on our website at [Burberryplc.com](https://www.burberryplc.com). These include:

- Our Ethical Trading Code of Conduct and Human Rights Policy
- Our Transparency in the Supply Chain and Modern Slavery Statement FY 2023/24

## Extend wellbeing across our supply chain

**Target:** Extend our Supply Chain Engagement Programme to further advance wellbeing, livelihoods, inclusivity and worker voice across our supply chain

Our commitment to wellbeing extends beyond our people to engage our supply chain partners in programmes which support the wellbeing of workers across our supply chain. Since its inception in 2018, we have continually expanded our Worker Wellbeing Programme, building on its benefits year on year.

### Progress

#### Worker Wellbeing Programme

In FY 2023/24, nine finished goods suppliers participated in our Worker Wellbeing Programme, reaching 11,650 workers in our supply chain. The programme aims to educate suppliers about enhancing worker wellbeing in order to help improve employee satisfaction as well attract and retain talent. In addition, we engage with stakeholders to inform response actions, including surveys to measure worker wellbeing, meeting with supply chain partners to identify opportunities for improvement, and formulate site-specific action plans.

Our goal is to ensure continuous improvement of wellbeing performance across our suppliers, and this year 100% of our participating suppliers achieved Good<sup>1</sup> performance.

#### Health Programme

Additionally in FY 2023/24, we extended our Health Programme which was established in 2015. During the last financial year, over 830 supply chain workers participated in the programme and received approximately three hours training each.

To ensure the training is effective and relevant for the workers participating, we collaborate with the supply chain partner and medical practitioner conducting the training, to identify what health topics should be covered. The four broad training modules are: women's health, men's health, general health and mental health, and they include topics such as reproductive health, cancer awareness and nutrition.

## Worker Wellbeing Programme FY 2023/24

9

finished goods  
suppliers participated  
in our Worker  
Wellbeing  
Programme

11,650

workers covered  
by the Worker  
Wellbeing  
Programme

1. Scale of ratings starting from the lowest is Unsatisfactory, Acceptable, Good and Excellent.

# COMMUNITIES

## Introduction

We strive to do the right thing for our customers, our communities and the world around us. We continue our founder’s legacy by supporting young people, championing our communities and collaborating with organisations to make a positive impact.

We give at least 1% of profit before tax (PBT) annually to charitable causes, including amounts donated to The Burberry Foundation (UK registered charity number 1154468). Established in 2008, The Burberry Foundation is governed as a separate entity and operates independently to Burberry Group plc. As such, it follows the regulations and laws applicable to charitable organisations in the UK. The Burberry Foundation’s Board of four trustees meets quarterly and is chaired by Christopher Holmes, Baron Holmes of Richmond, MBE.

## Policies

Our Community Investment Policy and Procedures sets out our approach to community investment, charitable donations, humanitarian relief, employee volunteering and fundraising. Our community investment methodology aligns with the Business for Societal Impact (B4SI) framework, a global standard for measuring and managing social impact.

## Approach

Our contributions are directed towards advancing our Communities strategy, ensuring meaningful impact and sustainable progress in our core focus areas.

In FY 2022/23, we refined our Communities strategy to focus on improving the lives of young people. We do this by supporting charitable initiatives which inspire young people to come together in safe environments to explore their creativity, develop life skills and broaden career horizons.



## Inspire young people to create better futures

**Target:** Positively impact 500,000 people between FY 2022/23 and FY 2025/26, particularly young people hailing from underserved communities

Providing support to the communities we interact with is key to delivering maximum positive impact. We continue to expand our programmes to inspire young people globally, fostering creativity and building critical life skills.

### Progress

This year, 219,377 people were positively impacted through community programmes supported by Burberry Group plc and The Burberry Foundation. This achievement adds to our cumulative total of 380,162 people since FY 2022/23, advancing our progress towards our target of 500,000 by FY 2025/26.

Central to our performance on this target is our flagship Burberry Inspire programme, which serves as the cornerstone of our efforts in supporting young people.

### Burberry Inspire

Burberry Inspire is a global programme dedicated to providing safe spaces for young people to explore their creativity, develop new skills and build a more positive future.

With a focus on young people aged 10 to 24, Burberry Inspire brings all youth-focused activities conducted by The Burberry Foundation and Burberry Group plc together under a single identity. Burberry Group plc partnerships focus on in-school programmes, and The Burberry Foundation on community-based youth organisations. Through a network of partnerships in nine regions across the world, the initiative has impact at both global and local levels.

Burberry Inspire offers skills development in a variety of fields, from creative arts and design to sports and STEM-related activities, entrepreneurship and initiatives aimed at breaking down educational barriers. The programme's ambition is to create opportunities for more than 500,000 young people between FY 2022/23 and FY 2025/26 by unlocking their creativity and driving positive change in their lives as well as in their communities.

### The Burberry Inspire programme's global reach

The Burberry Inspire programme is supported by a global network of partnerships across our key operational regions of EMEA, Americas and Asia Pacific.



### Creative Youth Development framework

At the heart of Burberry Inspire is a commitment to respecting the diversity of young people’s lived experiences, valuing their perspectives, elevating their authentic voices, and supporting their creative development and expression. This approach to youth development, referred to as Creative Youth Development (CYD), recognises that creativity takes different forms. For example, some young people may demonstrate their creative spark through painting, music, theatre or dance, while others may express themselves in a STEM-related field.

Drawing on insights from the CYD framework, Burberry Inspire channels the power of creativity to cultivate young people’s self-confidence, mental health and wellbeing, sense of identity and belonging, and aspirations for the future. The programme’s theory of change revolves around engaging and nurturing young people’s creativity, providing well-designed opportunities for growth and learning, and empowering them to contribute positively to their communities.

### Fostering creativity in education

We support fashion students from underrepresented groups through charitable partnerships with creative institutions around the world.

Since 2012, we have partnered with the Royal College of Art (RCA) to establish a creative arts scholarship programme, supporting the next generation of creative leaders from underrepresented communities. This programme has expanded globally to offer more equal access to creative arts programmes at some of the world’s most esteemed creative institutions, including The New School’s Parsons School of Design in New York City, Institut Français de la Mode in Paris, and Central Saint Martins in London.

The expansion of the creative arts scholarships, alongside our existing partnership with the RCA, is enabling over 50 students to benefit from education programmes in the arts between 2020 and 2025.

We also continue to donate fabrics, yarns and trims to charities and design schools globally. In FY 2023/24, we donated over 28,500 metres of fabric to the British Fashion Council (BFC) as part of its Student Fabric Initiative, which helps students studying at BFC Colleges Council member universities to access high quality materials. In conjunction with the yearly donation project, students were invited to submit a creative design proposal, fully realisable using deadstock fabrics and/or components. Burberry colleagues sat on the judging panel and helped select four finalists to showcase their work at the BFC Institute of Positive Fashion Forum in April 2024.

### Protecting communities

We support causes that are important to our colleagues and back disaster relief.

For example, in September 2023, northern Africa was struck by two devastating natural disasters: an earthquake in Morocco and catastrophic flash flooding in Libya. In response, we contributed to British Red Cross appeals for both events. Our donations supported search-and-rescue operations and provided vital assistance to those affected. Furthermore, we matched colleague donations to these relief efforts, doubling the impact of our support to the relevant British Red Cross appeals.

## Save the Children partnership

In October 2023, The Burberry Foundation, supported by donations made by Burberry Group plc and in collaboration with Save the Children, established Life Chances to support young people affected by the humanitarian crisis in Ukraine. The programme is part of a global partnership between The Burberry Foundation and Save the Children.

Life Chances focuses on supporting Ukrainian refugees and Polish young people aged 14 to 18 in Poland. The programme is implemented in partnership with FRSI, Save the Children’s local partner in Poland, and aims to enhance education, career opportunities and emotional wellbeing, while empowering young people to be agents of change in their communities. Education and social activities are vital during times of crises, fostering purpose, identity and belonging for young people.

Schools in Poland are struggling to meet the educational needs of an expanding population of Ukrainian refugees.

Life Chances aims to bridge the gaps, offering holistic support to young people as they adjust to life in their host country. The programme was developed in consultation with Ukrainian refugees to prioritise their voices and needs. It was shaped by the active involvement of young displaced adolescents, parents,



caregivers, community leaders and professionals, including teachers, librarians and social workers, as well as mental health and psychosocial support specialists. Their input, blending personal and professional experiences, has significantly influenced the programme’s content.

## Increase volunteering opportunities for colleagues

**Target:** 25% of Burberry colleagues actively engaged in volunteering and fundraising activities by FY 2025/26

Facilitating volunteering and fundraising opportunities for our colleagues allows us to positively impact their wellbeing while supporting the communities where we operate. Our people can volunteer their time to causes which are particularly meaningful to them or aligned to Burberry's Communities strategy. This approach means we can positively impact both our local and global communities.

### Progress

All Burberry colleagues are allotted up to three volunteering days per year which, in FY 2023/24, they used to support 139 different volunteering and fundraising projects. During the year, for the first time, Burberry colleagues were able to actively support young people participating in the Burberry Inspire programme through a variety of volunteering activities, including workshops, leadership circles and collaborative creative projects. These activities were in addition to local employee-led team building initiatives and targeted skills-based opportunities, such as career advice panels.

**219,377**

people positively impacted in FY 2023/24

**380,162**

people positively impacted cumulatively since FY 2022/23

We also provide match funding up to a value of £3,000 for team activities involving five or more colleagues. This allows colleagues to provide even more support to the causes they care about and encourages teams to collaborate outside of their normal roles.

## Spark, Burberry's volunteering and fundraising platform

Spark, launched in FY 2023/24, is our global volunteering and fundraising platform, which collaborates with over two million non-profit organisations across the globe. Acting as a central hub, the platform allows colleagues to get involved in volunteering activities or to create their own opportunities as individuals or part of a team. Colleagues can also raise funds and apply for match funding through the platform, as well as keep up to date with community activities and partnership launches.

### Volunteering and Fundraising FY 2023/24

8% of colleagues actively engaged in volunteering and fundraising activities

2,799 total volunteering hours

139 volunteering and fundraising projects supported by Burberry colleagues

92 charities supported through volunteering, match funding and in-kind donations

1. Figure excludes colleague headcount where there are data restrictions on the Spark volunteering and fundraising platform.

## Community Champions

Our global network of Community Champions helps to organise and promote local community projects, supporting colleagues to make a positive impact in their communities. We currently have 115 Community Champions globally, with each member facilitating volunteering and fundraising activities, raising awareness of important causes, driving projects with Burberry's charity partners and initiating new local non-profit partnerships.

Acting as a Community Champion offers Burberry employees opportunities to extend their skills beyond their usual roles, as seen in a recent initiative led by Burberry's Women in Technology Group based in our Leeds office. Employees volunteered at local schools to inspire the next generation and introduce them to the diverse career paths available in technology. Activities included panel discussions and interactive sessions on business analysis. Through this initiative, over 200 young people in Yorkshire were reached via volunteering.

Through our partnership with the Outward Bound Trust education charity, Burberry Community Champions stepped out of the work environment to inspire young people as part of a programme of overnight excursions and outdoor pursuits. In FY 2023/24, Community Champions worked with students from secondary schools in London, Leeds, Castleford and



Keighley, all regions connected to Burberry. Through activities, including abseiling, hiking and canoeing, the students were encouraged to push their boundaries, awaken their curiosity and build their resilience.



# PARTNERING FOR IMPACT

We work with organisations to help us drive change and advance our Burberry Beyond strategy. Our partners include:

## The Fashion Pact

We are members of The Fashion Pact, a global initiative of companies in the fashion industry, which aims to forge a nature-positive, net zero future for fashion. Our CEO is a member of the steering committee. This partnership provides support to both the Product and Planet pillars of our Burberry Beyond strategy. As a member of The Fashion Pact, we collaborate with peers to support our European suppliers with the transformation of energy use at their facilities through the European Accelerator Programme. The programme focuses on improving data collection, guidance on best practice and financing decarbonisation.

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## Textile Exchange

We are a member of the Textile Exchange, a global not-for-profit organisation driving positive action on climate change. We participate in the Textile Exchange's annual Corporate Fibre and Materials Benchmark (CFMB) survey and in FY 2023/24, Burberry colleagues across Corporate Responsibility, Materials Innovation and Supply Chain attended the Textile Exchange Conference. We are also part of a cross-industry Life Cycle Assessment (LCA) coordinated by the Textile Exchange to better understand opportunities to improve the environmental impact of cashmere production (more details of this can be found on page 44).

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## Institute of Positive Fashion – Circular Fashion Innovation Network

We are part of the Circular Fashion Innovation Network, an industry-led programme spearheaded by the British Fashion Council and UK Fashion and Textile Association in partnership with UK Research and Innovation.

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## Corporate Water Leaders

We work closely with other brands as part of the Corporate Water Leaders group, a global network of working groups dedicated to solving industrial water challenges and furthering water stewardship. The initiative is led by Global Water Intelligence (GWI). We are members of the Textile and Leather Group, which brings major brands together to pave the way for greater operational resilience and more environmentally sustainable business practices within the industry's global supply chain.

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## UNFCCC Fashion Charter

Burberry is a signatory to the UN's Fashion Industry Charter for Climate Action which aims to drive change across the fashion industry, with an initial goal of reducing aggregate GHG emissions by 30% by 2030. Aligned with the goals of the Paris Agreement, the Charter defines the issues that will be addressed by signatories. These include reducing carbon impacts at production stage, selecting climate-friendly and sustainable materials, exploring circular business models, improving consumer dialogue and awareness, and working with policymakers to catalyse scalable solutions.

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## ZDHC Foundation

Since 2014, Burberry has been an active member of the ZDHC. Burberry colleagues have served on the Board of the ZDHC Foundation since June 2018 and, since December 2022, have chaired the ZDHC Board of Directors.

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## BSR Human Rights Working Group

We became members of Business for Social Responsibility (BSR) in 2022 and joined its Human Rights Working Group, which was established to help companies implement the UN Guiding Principles on Business and Human Rights (UNGPs). It supports companies in sharing best practices, challenges, and experiences implementing the UNGPs and provides insight on human rights approaches and emerging issues.

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## United Nations Global Compact

We are a longstanding member of the UN Global Compact and compete an annual Communication on Progress disclosure across human and labour rights.

