

**MODERN SLAVERY ACT 2015 AND
TRANSPARENCY IN SUPPLY CHAINS ACT 2010**

2020/21 BURBERRY GROUP PLC STATEMENT

BURBERRY

LONDON ENGLAND

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and California Transparency in Supply Chains Act of 2010 (SB 657). It sets out the steps we have taken during the financial year 2020/21 (the “Year”) to prevent slavery and human trafficking from taking place in our supply chains or in any part of our business.

This statement is also made on behalf of the following subsidiaries of Burberry Group plc (company number 3458224); Burberry Limited (company number 162636), Burberrys Limited (company number 230931), Burberry (UK) Limited (company number 4288292), Burberry International Holdings Limited (company number 4251867), Burberry Europe Holdings Limited (company number 4458720), Thomas Burberry Holdings Limited (company number 3509143), Burberry Haymarket Limited (company number 4868493), Burberry Holdings Limited (company number 4251948) and Burberry London Limited (company number 4251951) and the actions and operations set out below are effective across the Burberry group.

INTRODUCTION

Burberry has a long-standing commitment to sustainability and supports a wide range of social and environmental programmes. These programmes, which cover our operations, our supply chain and extend to the communities around us, are designed to drive positive change and build a more sustainable future through continuous innovation and collaboration. Combatting slavery and human trafficking are core to this agenda.

As part of our current five-year responsibility strategy, we set ambitious goals to 2022, focused on addressing our most material social and environmental impacts, while supporting The Burberry Foundation in transforming the lives of people in our communities. This agenda supports the aims of the Paris Climate Agreement and progress towards attainment of the United Nations Sustainable Development Goals.

Expanding on our existing strategy, we have set a series of new targets to 2025, focused on ensuring all raw materials are fully traceable, as well as sourcing 100% certified wool, organic cotton, recycled polyester and nylon.

We published our fifth Modern Slavery Statement in June 2020 and over the past year have focused on supporting our business associates during the COVID-19 pandemic. We have continued to adapt our Ethical Trading Programme by continuing to monitor and support our supply chain through a revised audit approach as well as reviewing our policies, developing our risk assessment of our upstream supply chain and improving our insight and processes to mitigate modern slavery risks throughout our finished goods and raw material supply chains. We have continued to collaborate with cross-industry groups, such as the Business Against Slavery Forum and The Issara Strategic Partner Programme to help target modern slavery, as well as working to better understand new emerging risk areas due to the pandemic.

OUR BUSINESS AND SUPPLY CHAIN

We design, source, make and sell luxury products under the Burberry brand and our business model is focused on creating long term sustainable value for all our stakeholders.

Design: We design luxury goods that are beautifully made and built to stand the test of time. Our design, strategy, marketing and responsibility functions work together from the earliest stages of product development. Working collaboratively ensures our products remain relevant to our customers and true to Burberry's purpose. It also ensures sustainability remains front of mind.

Source: We source the finest materials to craft our luxury products. We work closely with our network of global suppliers to ensure our high standards are met, both in terms of quality and sustainability. We innovate to bring our brand vision to life to inspire and excite our customers, while reducing our impact on the environment.

Make: Our highly skilled craftspeople make our products at Burberry-owned manufacturing sites in the UK and Italy, as well as via a network of global suppliers, a large proportion of which are in Europe. We invest in quality, driving improvements throughout the supply chain, while focusing on reducing, reusing and recycling the waste we create. We continually look for innovative solutions to help us move towards a circular business model.

Sell: We sell our products through a network of directly operated and franchised stores, as well as via wholesale partners and online. For certain product categories, such as beauty and eyewear, we use the product and distribution expertise of licensing partners. Our creative, marketing and communications teams aim to inspire and excite our customers with distinctive and meaningful content and outstanding luxury experiences.

Contributing to local economies and partner value: Operating across the world, we contribute to local economies and support the communities around us. We add value to societies both directly and indirectly through our business operations and by partnering with NGOs on community programmes.

SUPPLY CHAIN

Our supply chain network supports the production of our apparel and accessories products, and our general day-to-day business operations.

APPAREL AND ACCESSORIES

Finished products are manufactured at both company-owned facilities in the UK and Italy, and by an external supplier network. A large proportion of our finished goods production takes place in Europe, where Burberry has many long-standing relationships, including some for more than 15 years. Around 70% of the finished goods facilities 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. We believe that these strong supplier relationships are key to ensuring continuous improvement in supply chain working conditions and help us to minimise supplier turnover, where possible. We have visibility of all finished goods manufacturing suppliers, their subcontractors and supporting facilities, as well as mills, tanneries and trim suppliers.

RAW MATERIALS

We believe that the sustainability of suppliers within our raw material supply chain is important in ensuring our products are responsibly sourced.

The key raw materials we use are cotton, leather and cashmere.

During the year we introduced new targets in our raw material supply chains to strengthen our commitment to responsible sourcing.

We have a series of ambitious targets to help achieve this aim:

- Ensure all key materials are 100% traceable by 2025, supported by our use of certified materials where the country of origin is verified and disclosed, we will achieve traceability to a minimum of country level for key raw materials.
- Source 100% certified recycled nylon and recycled polyester by 2025, where nylon or polyester is the product's main material
- Source 100% certified wool by 2025, supporting certifications that uphold the highest animal welfare standards
- Source 100% certified organic cotton by 2025 organic cotton, which holds environmental and social benefits is traced through our supply chain via a chain of custody. This builds on our target to source 100% of our cotton more sustainably by 2022.
- Source 100% of our leather from certified tanneries by 2022 with environmental, traceability and social compliance certificates

As part of our commitment to uphold human rights within our supply chain, we make clear to all our suppliers that any form of modern slavery, included forced, bonded or involuntary prison labour, is not permitted whatsoever.

Since 2019 we have continued to expand our responsibility programme to also include the assessment of mills, tanneries and trim suppliers and their sub-contractors, this year covering over 60% of our raw material suppliers.

LICENSEES

We have granted two product category licences under the Burberry brand to third parties, namely to Coty to produce beauty products and to Luxottica to produce eyewear.

Our Responsibility team works with both to ensure they apply consistent standards which align with those adhered to across the rest of Burberry's supply chain.

BUSINESS OPERATIONS

As a large global organisation, we have many other supply chain operations across EMEA, Americas and Asia Pacific relating to general business operations and including but not limited to retail stores, our e-commerce and business websites, offices, marketing and transport. We continue to communicate our commitments and policies designed to prevent forced, bonded and trafficked labour through our Responsible Business Principles (the "Principles"). Further details are set out in the following sections.

From 2018/19 onwards, we included our packaging, visual merchandising, repurposing and recycling supply chains within our ethical trading programme which focuses on conducting a risk based analysis of new suppliers prior to procurement. We continue to conduct audits when required and work with our suppliers to implement continuous improvement plans.

COVID-19

Over the past year, we have supported our business associates through the COVID-19 pandemic. The Responsibility team has remained in close contact with supply chain partners through regular communications and conducting desktop assessments to understand where best to provide support.

Remote baseline surveys were used to assess site working environments, including health and safety conditions at vendor and subcontractor sites. These allowed us to provide additional support and guidance where necessary.

Training was provided to key vendors globally, covering 40% of our product supply chain, with the support of external training providers on COVID-19 safety and containment measures

In response to the current situation, we have adapted the monitoring of our supply chain sites by developing a blended physical and virtual ethical trade auditing approach. We are also making full use of our confidential worker hotlines to ensure that we can remain responsive to workers' needs.

In addition, an Infection Control Management Policy has been communicated to all vendors and key raw material suppliers to support them in providing a safe working environment.

In June 2020, we became signatories of the COVID-19: Action in the Global Garment Industry call to action, set out by the International Labour Organisation (ILO) and endorsed by organisations such as the Fair Labour Association and International Trade Union Confederation. The initiative is working towards bringing the industry together in regards to implementing more efficient social security systems as a collaborative group. As well as working in collaboration with these stakeholders, we have continued to work with NGOs, suppliers, vendors and strategic partners across our sourcing regions to continue the development of our ethical trade programmes and ensure workers' rights are maintained during the course of the global pandemic.



BURBERRY



POLICIES

We believe that respect for human rights is integral to being a responsible company. The prevention of forced, bonded and trafficked labour is a key element of Burberry's Human Rights Policy and Ethical Trading Code of Conduct:

BURBERRY POLICIES

To promote human rights across our direct and indirect business operations, we require our network of business associates and extended supply chain to comply with our Principles.

The Principles have been developed in line with our commitments and experience over a number of years. They have been informed by our longstanding membership of the United Nations Global Compact, and are underpinned by the ETI Base Code, International Bill of Human Rights and the Fundamental Conventions of the ILO. We review and update the Principles on an annual basis to ensure that they align to the latest good practice guidelines and any emerging regulatory requirements. The Principles apply to all our business associates, which include, but are not limited to: finished goods suppliers, raw material suppliers, non-stock suppliers, construction contractors, licensees and franchisees.

Since 2016, the Principles have expressly addressed modern slavery risks. Incorporation of the Principles into our contracts with business associates ensures the provisions targeting modern slavery are also included. The Principles are overseen by Burberry's Ethics Committee, chaired by our General Counsel. The Principles are monitored by our responsibility and Supply Chain teams and are enforced pursuant to the Burberry Non-Compliance Policy, detailed below.

The Principles include Burberry's Code of Ethical Business Principles, Anti-Bribery and Anti-Corruption Policy and Global Environmental Policy, and the following seven policies:

ETHICAL TRADING CODE OF CONDUCT

This outlines requirements which all our business associates must uphold in relation to their own employees and throughout their own supply chain. The code includes, amongst other standards, the following requirements: that employment is freely chosen, child labour is not used, freedom of association is respected and no harsh or inhumane treatment occurs.

The full Code of Conduct is available here: [Burberry Ethical Trading Code of Conduct](#).

MIGRANT WORKER POLICY

This is specifically intended to protect workers who may be vulnerable to exploitation in the course of international migration. The policy contains requirements including, but not limited to, the prohibition of withholding passports and similar documents and the levying of recruitment fees. During FY 2020/21 we updated and recommunicated this policy to suppliers to provide more detailed guidance on implementation of the policy and meeting the standards defined within it.

The full Migrant Worker Policy is available here: [Burberry Migrant Worker Policy](#).

HUMAN RIGHTS POLICY

Burberry's Human Rights Policy sets out four key stakeholder groups – our people, workers in our supply chain, our customers and our communities – and the procedures we have put in place to protect and uphold human rights, including mechanisms in

place to address any instances of potential infringement. The policy was developed with reference to the United Nations Guiding Principles on Business and Human Rights. We assess human rights impacts and monitor labour conditions in both our own operations and our supply chain on a regular basis to ensure the policy is upheld. The policy was updated during FY 2019/20.

Further details of Burberry's Human Rights Policy are available here: [Burberry Human Rights Policy](#).

CHILD LABOUR AND YOUNG WORKER POLICY

We prohibit all forms of child labour in our own operations and throughout our supply chain. In our Ethical Trading Code of Conduct, we state that we will never use child labour and outline provisions for young workers.

Our Child Labour and Young Worker Policy expands on the Code of Conduct and includes standards relating to implementation, monitoring and remediation procedures which must be followed by all business associates.

Further details of the Child Labour and Young Worker Policy are available here: [Burberry Child Labour and Young Worker Policy](#).

RESPONSIBLE SOURCING POLICY

This outlines Burberry's commitment to responsible and sustainable business principles throughout the supply chain. The policy outlines specific prohibited sourcing regions, where the risk of modern slavery and other labour rights issues is recognised. For example, the policy prohibits sourcing from certain countries including but not limited to Bangladesh, Pakistan and Cambodia and prohibits any sourcing of cotton from Uzbekistan, Turkmenistan and Syria.

Further details of the Responsible Sourcing Policy are available here: [Burberry Responsible Sourcing Policy](#).

PARTNER NON-COMPLIANCE POLICY

Where breaches of our standards and policies are identified, Burberry collaborates with local partners to find solutions to address non-compliance. Where improvements are not made within a given time or there is an unwillingness to address the issue, we may consider terminating a particular business relationship. The policy is designed to allow partners a reasonable amount of time to rectify any non-compliance with the Principles, to minimise any potential detrimental impact on workers' livelihoods, while always reserving the right to terminate contracts and take any other legal action possible, depending on the nature of the breach.

Further details of the Partner Non-Compliance Policy are available here: [Burberry Partner Non-Compliance Policy](#).

INFECTION MANAGEMENT CONTROL POLICY

To support our business associates in ensuring a safe and healthy environment for employees, customers, partners and visitors during the COVID-19 pandemic, this policy sets out the minimum standards which Burberry requires its business associates to comply with.

The policy covers infection controls such as; social distancing, Personal Protection Equipment (PPE) requirements and cleaning programmes, that must be observed on site. In addition, Burberry recognises, within its supply chain, that there are many different countries each with their own laws and therefore all business associates

must ensure that, in addition to compliance with this policy, it continues to comply with local regulations, laws and industry best practices.

In addition to the Principles, Burberry provides a range of resources and guidelines for employees to follow, which relate to a wide range of matters including personal conduct and whistleblowing. Burberry employees, contractors and agency workers across our operations also have access to a confidential whistleblowing hotline which ensures that there is always a way to report issues if usual routes of escalation are unavailable or restricted.

We continue to implement additional risk management of our global non-stock procurement supply chain to gain more visibility of areas of greater risk, such as labour suppliers and construction contractors. Suppliers are required to take responsibility for the prevention of forced, bonded and trafficked labour in their supply chain and certify that neither they nor any of their affiliates, contractors or sub-contractors engage or have engaged in any form of modern slavery.

Compliance with the Principles is a requirement of doing business with Burberry. Adherence to the Principles is included in contracts with suppliers. Finished-goods suppliers sign a letter of undertaking confirming, amongst other matters, their commitment to the Principles and responsibility to cascade the Principles within their own supply chains. We work with our business associates to support their compliance and we reserve the right to cease our sourcing relationship with those that do not demonstrate sufficient commitment to the Principles or are in significant breach of them. In the event of a business associate being found to be involved in modern slavery, we would act first to help safeguard the affected workers' wellbeing and then to support the business associate with its remediation process, including any actions to identify and address root cause issues.

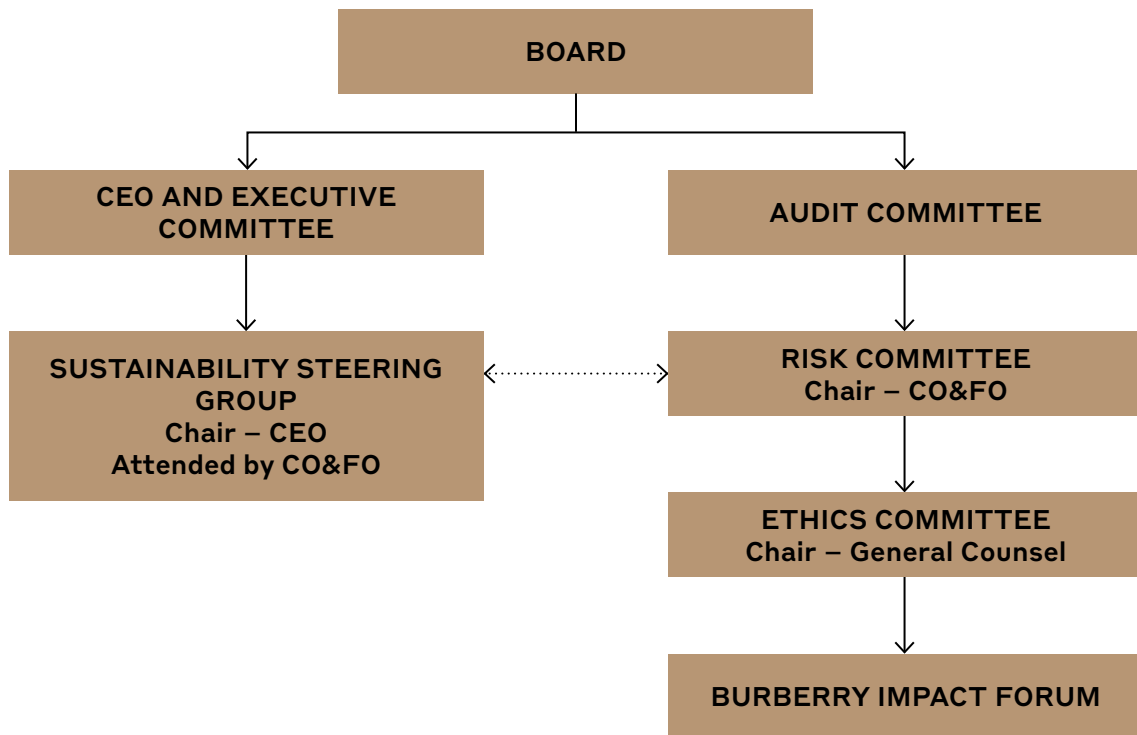
GOVERNANCE

We continue to promote the management of modern slavery risks within Burberry and externally. In October 2017, Burberry became a founding member of the Business Against Slavery Forum alongside some of the UK's largest companies. The forum member companies share intelligence and best practice to help businesses identify, tackle and prevent slavery in their supply chains.

We have a global Responsibility team consisting of more than 30 specialists in key locations globally. Although ethical trading activities are coordinated by our Responsibility team, targets relating to working conditions in the supply chain are owned by our Supply Chain and relevant Sourcing teams. Burberry employees who are responsible for supply chain partner relationships and sourcing, also have personal KPIs related to labour conditions, recognising the potential impact of fair purchasing practices on labour conditions throughout our supply chain.

Our ethical trading programme is supported and monitored internally by a number of management committees. The programme aims to ensure that the potential risks to labour and human rights are considered at all appropriate levels and areas of the business. Policies relating to human rights are reviewed and approved by the company's Ethics Committee. In the event that any labour or human rights risks are identified, the Vice President of Corporate Responsibility will report on such issues to the Ethics Committee as well as the Group's Risk Committee, which meets at least three times a year. The Risk Committee is chaired by the Chief Operating and Financial Officer, who sits on the Burberry Group plc board. The Risk Committee reports into the Group's Audit Committee which is chaired by an independent non-executive director.

Additionally, our social responsibility and sustainability strategies are reviewed by the Sustainability Steering Group (SSG) chaired by the CEO, who is also a member of the steering committee of the Fashion Pact, and is attended by the CO&FO, who is also a member of the Leadership Network for the Accounting for Sustainability initiative (A4S). Objectives and progress on social responsibility and human rights topics are reviewed by our Impact Forum, comprising independent external experts who play the role of “critical friends”. The governance structure chart below outlines the reporting lines of each of the committees.



DUE DILIGENCE AND ASSESSMENT OF OUR SUPPLY CHAIN

Over the last 17 years, we have implemented a programme to monitor the labour conditions in our product supply chains and safeguard the workers engaged in these supply chains.

Monitoring and verification activities are completed throughout our finished goods and key raw material supply chains to support compliance with the Principles. To ensure our supply chain mapping stays up to date, we operate a strict approval process and conduct a transparency analysis with our vendors and commercial teams each season. Following this analysis, we conduct an assessment to identify any new or emerging areas of risk.

New raw material suppliers are required to confirm they will adhere to the Principles and comply with applicable local laws. They agree that we may visit and assess their own compliance and that of their suppliers. Before any new supplier is approved to



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participate in the Burberry supply chain, they are risk assessed for social compliance and any indication of forced, bonded or trafficked labour. If during this risk assessment a vulnerable workforce or geographical location risk is identified, a full audit will be completed and the results and the remediation plans (if any) will be evaluated before a decision on whether or not to approve is taken.

In addition, before a factory is approved to produce Burberry finished goods, we assess its compliance with the Principles and applicable local laws and commitment to uphold them. The Responsibility team must be satisfied that the factory will uphold these standards before giving approval for production to begin. Audits, announced or unannounced, consist of worker interviews, document reviews and site tours, and are repeated periodically to confirm ongoing compliance and continuous improvement. The frequency of audits depends on the level of performance in previous audits – better performing factories are audited less frequently. Worker interviews are always conducted confidentially, and workers are selected at random with fair representation of the workforce, including, for example, union and worker representatives, first aiders and migrant workers. Our audit methodology prescribes that we interview at least 10% of the workers in a factory. Between audits, our Responsibility team works closely with facilities to implement systems to prevent modern slavery and improve the management of human rights and safety risks. During the FY 2020/21, we conducted 409 audits and 33 engagement activities.

ASSESSING OUR HUMAN RIGHTS IMPACT

Every two years, we conduct a Human Rights Impact Assessment of our operations and activities and those of our extended supply chain to identify and address potential risks. If a salient forced labour risk is identified, ethical trading assessments are conducted by our internal teams or by a local NGO, where local expertise is needed, to identify any labour rights issues and remediation required.

We have implemented this process since 2014, which has helped to evolve and develop our human rights diligence approach as well as our ethical trading programme. In addition, we have also implemented a number of mitigation action plans which have included a focus on migrant workers and women in our supply chain as we identified that these groups are disproportionately more vulnerable to modern slavery risk. Action plans included context specific interventions such as mapping recruitment journeys in identified hotspots, building worker voice mechanisms in these areas and working with experts to integrate gender sensitive processes and metrics into our programmes.

As a result of previous assessments, we expanded our ethical trading audit programme to cover all distribution and fulfilment centres globally as well as assessment of recruitment practices across these sites.

In FY 2020/21 our Human Rights Impact Assessment highlighted increased risk workers in relation to the COVID-19 pandemic, particularly in relation to workers' health and wellbeing. In response to this, the Burberry Responsibility team has supported supply chain partners, through the challenges presented by the pandemic. Burberry's Infection Control Management Policy was communicated to all vendors and key raw material suppliers to support them in providing a safe working environment. Further to this, we conducted training with the support of external providers on how to run a COVID-safe environment.

The Responsibility team has remained in close contact with supply chain partners through regular communications and conducting desktop assessments to understand where best to provide support.

Remote baseline surveys were used to assess site working environments, including health and safety conditions at supply chain sites. Training was provided to key vendors globally with the support of external training providers on COVID-19 safety and containment measures

In addition, we have adapted our approach to ongoing monitoring of supply chain sites by developing blended physical and virtual ethical trade auditing. We are also making full use of our confidential worker hotlines to ensure that we can remain responsive to workers' needs. The new approach ensures both risk mitigation and auditor safety.

In FY 2020/21, we also deepened the focus of our assessment by exploring risks associated with raw material commodities at their source and have been working with external partners to delve deeper into these potential risk areas. During FY 2020/21 we also introduced new raw material and traceability targets which support and complement human rights risk mitigation in our supply chains, through certification. We have a series of ambitious targets to achieve this aim, which are detailed above, on page 4.

As part of these targets, we will engage with key certification bodies to ensure human rights due-diligence is conducted and social standards are upheld in line with our Responsible Business Principles.

STAKEHOLDER ENGAGEMENT AND WORKER VOICE

Burberry has had an external advisory committee focused on responsibility and sustainability topics, which has been in place since 2013. This year we decided to evolve our approach to ensure a deep focus on human rights and consequently established the Burberry Impact Forum. Its purpose is to:

- Engage in transformative dialogue that will help advance Burberry's approaches to human rights and social compliance.
- Establish a mutually beneficial forum to share opportunities for collaboration and co-creation of human rights and social compliance approaches.
- Comment on draft strategies and constructively challenge and/or support Burberry's human rights and social compliance approaches.

During ethical trade audits and as part of our broader responsibility programme, we conduct interviews with relevant stakeholder groups and workers to better understand their needs and perceptions, while gathering insights into the direct and indirect impacts of our business and developing focused mitigation plans where required.

We also provide grievance mechanisms for our global employees, as well as confidential hotlines run by NGOs for workers in our supply chain. During FY 2020/21, Burberry-sponsored hotlines received 529 calls and their resolutions have been monitored closely by our Responsibility team.

Monitoring alone does not drive improvements in labour conditions and therefore we have several programmes in place to support our supply chain partners to improve labour conditions.

WORKER GRIEVANCE MECHANISM

Labour rights issues can include inadequate access to remedy. Where this occurs, we work with local NGOs to establish a hotline to share information with workers on their labour rights, create a mechanism to report grievances and provide psychological support.

The effectiveness of the hotline is frequently reviewed and this year we extended the hotline to cover 16,432 of workers within our supply chain. During FY 2020/21, 529 calls (24 complaints, 486 consulting requests and 19 psychological support requests) were received. Resolutions were monitored closely by our local Responsibility teams.

We continue to review access to remedy and we will extend the hotline where required, prioritising suppliers with migrant workers.

WORKER WELLBEING

We continue to work on programmes to capture comments and grievances from workers in our supply chain globally and address issues raised.

We have used a tool developed with Oxfam to measure worker wellbeing in our supply chain and capture comments and feedback from workers with approximately 2,750 workers across 15 facilities globally.

The results have been used to develop specific action plans for each factory. To date, these action plans have focused on the development of HR management systems, worker and supervisor training programmes and policy implementation.

In the coming year, we will work to evolve our approach to workers' wellbeing to better capture and measure key wellbeing dimensions and more effectively address workers priorities.

CHAMPIONING DIVERSITY AND ENSURING INCLUSIVITY

At Burberry, we believe diversity, equity and inclusion are essential to fulfilling our purpose and are core to our values. Attracting and retaining diverse talent and fostering an inclusive culture enable us to be more creative in everything we do and open spaces for our colleagues, customers and communities.

Our global Diversity and Inclusion strategy is focused on valuing and embracing differences and creating an environment where everyone feels they belong, has a voice and can reach their full potential. When we do, our colleagues are more engaged, committed and effective in driving results, we are more successful as an organisation, and we make a more meaningful contribution to the world around us.

Diversity and Inclusion is also a key focus for our supply chain. During FY 2020/21, we reviewed and updated our Migrant Worker Policy to strengthen our guidance on the repayment of recruitment fees and better support our partners in implementing and upholding an ethical recruitment journey within the supply chain.

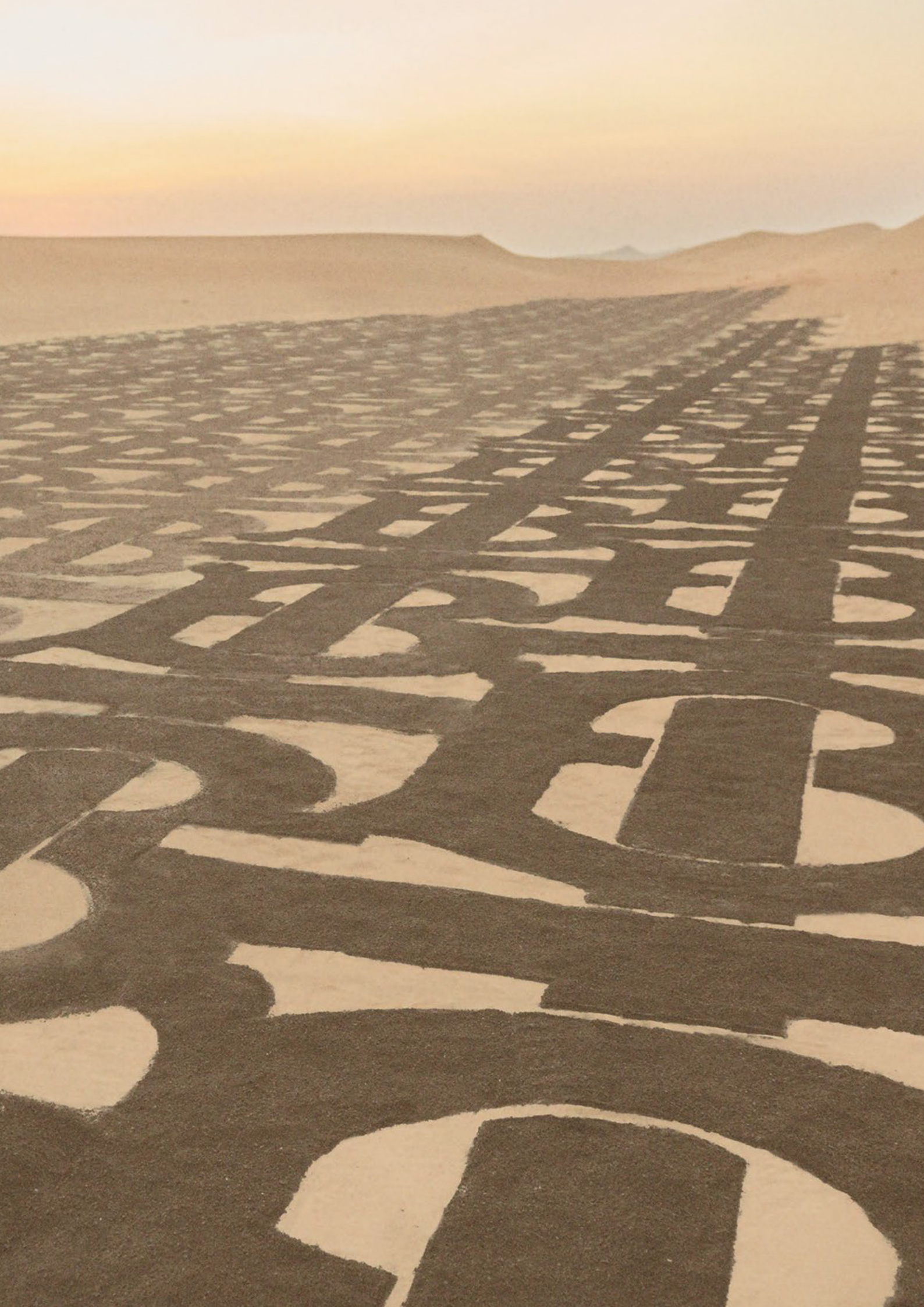
We have mapped particular risk areas and are working closely with local expert organisations and our suppliers to develop roadmaps to mitigate risk to domestic and international migrant workers in key supply chain locations.

In FY 2019/20 we introduced an inclusivity programme in Italy with a third-party communication agency and a cultural mediators association to increase vulnerable workers' access to local institutions and public services. The overall aim of the programme is to empower workers, thereby reducing risk of modern slavery and in the long-term, having a positive impact on social inclusion. The programme utilises social media platforms to connect vulnerable people to over 40 local institutions and services. This year has seen high engagement rates for articles, especially those sharing information on coronavirus, health services, education and parenting services.

We will continue to strengthen our commitment by continuously reviewing our programmes and taking action where needed.

TRAINING & RESOURCES

Our Responsibility team includes specialists in labour and human rights and modern slavery. All Burberry employees are introduced to Burberry's responsibility policies and programmes during their induction training to ensure a general understanding of Burberry's responsibilities in this area.



INTERNAL TRAINING

In FY 2016/17, we developed our first bespoke modern slavery and labour rights training programme for our internal teams and supply chain partners, informed by Burberry's Human Rights Impact Assessment and in collaboration with the ethical trade, human rights and labour standards consultancy, Impactt. In FY 2020/21 158 members of our internal supply chain, sourcing, internal manufacturing and product teams received either introductory or refresher training. The targeted training helps those who have close contact with our extended supply chain to be familiar with the risk areas, likely indications of human rights abuses (including instances of modern slavery) and possible actions to take if an incident of modern slavery is identified. In addition, we have trained members of our human resources, health and safety, construction and fulfilment teams on modern slavery, how to identify it and appropriate actions to take. This training has helped embed respect for human rights and a policy of zero tolerance for modern slavery throughout the business. We regularly review training needs across our business operations to ensure all relevant employees are included. In FY2021/22 we will create new online resources and continue to conduct trainings to reach a wider audience of employees and further embed awareness and risk mitigation into our culture.

SUPPLY CHAIN TRAINING

Since FY 2016/2017 we've been training our supply chain partners, including vendors and key raw material suppliers, on understanding, identifying and managing modern slavery risks. In FY2018/19, our UK Responsibility team completed an "Investigative Interviewing Skills" course developed and delivered by the Gangmasters Labour Abuse Authority and Stronger Together. The skills learned have been used to improve our ethical trading audit methodology and have provided insight when working with our regional teams.

Over the last year, we've especially focused on raising awareness among our key finished goods vendors. Participants attended a three-hours training session and were asked to refresh and strengthen their action plans to prevent and reduce the risk of modern slavery in their operations and supply chains. Finally, since the end of 2019 the Burberry EMEA Responsibility team has partnered with additional resources with cultural integration expertise to further strengthen our audit activities in multi-cultural environments.

In the coming year, we have set the target to cover 80% of our product supply vendors and raw material suppliers, with training on modern slavery identification and management within their own operations and extended supply chains.

KEY PERFORMANCE INDICATORS

We monitor the Key Performance Indicators (KPIs) set out below on an ongoing basis. These KPIs help us ensure the effectiveness of our efforts to address modern slavery risks and are continually reviewed.

INTERNAL TRAINING

We train key internal teams working with our business and product supply chains. This includes sourcing, supply chain and logistics, product development, HR, legal, construction, procurement and workplace services.

In FY 2020/21 the supply chain, sourcing and product teams have received either introductory or refresher training to better understand forced labour indicators and raise awareness of modern slavery risks within our business operations and supply chain.

SUPPLY CHAIN TRAINING

We have trained finished goods suppliers, their key subcontractors and key raw-material suppliers on the identification of modern slavery and building systems to prevent the occurrence of modern slavery.

WORKER VOICE

We continue to implement initiatives to strengthen workers' access to information and the ability to raise grievances as well as to measure worker wellbeing.

During FY 2020/21, Burberry's worker hotline received 529 calls, categorised as 24 complaints, 486 consulting requests and 19 psychological support requests.

In FY 2019/20, we surveyed approximately 2,750 workers across 15 facilities globally to build a better understanding of workers' wellbeing and identify opportunities for improvement. Following this, we introduced a communication training programme in two European production facilities. The aim of the programme was to build communication skills between workers, supervisors and factory management. As a result, the facilities introduced stronger worker consultation and feedback mechanisms, therefore improving dialogue with their colleagues.

In FY 2021/22, we will work to evolve our approach to workers wellbeing to better capture and measure key wellbeing dimensions and more effectively address workers priorities.

AUDITS & ASSESSMENTS

In FY 2020/21, we conducted 409 audits and 33 engagement activities. The majority of these activities were conducted by our internal Responsibility team who endeavour to build trust in our ongoing partnerships and drive continuous improvement.

Since the start of the global pandemic in March 2020, the Responsibility team has remained in close contact with supply chain partners through regular communications and conducting desktop assessments. In addition, circumstances allowing, we have adapted our approach to ongoing monitoring of our supply chain sites by developing blended physical and virtual ethical trade auditing.

The audit and assessment programme covers all our finished goods facilities and their subcontractor supply chains, this year covering over 60% of our raw material suppliers.

In early 2020, in an area of our supply chain where we identified a group of migrant workers paying fees during a complex recruitment journey, we started working with a local NGO, Issara Institute, and two suppliers who operate four facilities to build worker voice and remediate any fees paid by existing workers as well as workers that had since left their employment,

With remediation work now completed, in FY 2021/22 we will further focus on developing an ethical recruitment route for migrant workers in the future and implement enhanced guidelines for our partners to better support them to recruit through ethical channels.

LOOKING AHEAD

We continue to strengthen the breadth and depth of our human rights due diligence and ethical trading programme as well as implement the action plans resulting from our FY 2020/21 Human Rights Impact Assessment. A key focus is on engaging with key certification bodies to ensure human rights due diligence is conducted and social standards are upheld. In addition, we will continue to support our supply chain partners through challenges presented by the COVID-19 pandemic and monitor potential emerging risks and impacts in our extended supply chain. We believe that our focus on transparency and traceability throughout the supply chain will help identify modern slavery risks which can then be addressed.

We continue to review our own business operations and procurement procedures to ensure that risks of modern slavery are considered.

Should any instances of modern slavery be identified, we believe we are well positioned to address these and to support any affected workers in line with our core values.

Approved by the Board on 4th May 2021 and signed on its behalf by:

Marco Gobbetti

Chief Executive Officer and Executive Director

Burberry Group plc

A handwritten signature in black ink, reading "Marco Gobbetti". The signature is written in a cursive, flowing style.