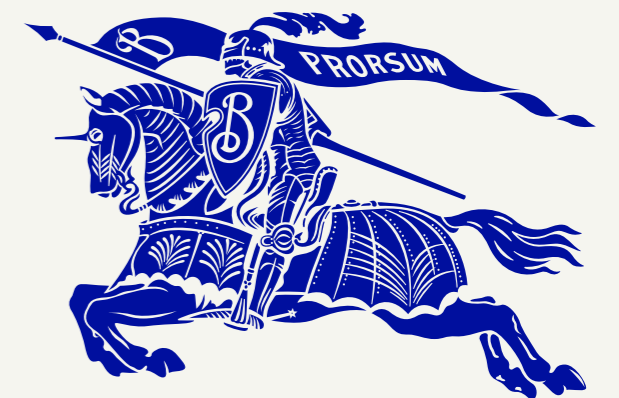


Modern Slavery Statement 2022/2023



Modern Slavery Act 2015 and Transparency in Supply Chains Act 2010

2022/23 Burberry Group PLC Statement

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 2022/23 (the “Year”) to prevent slavery and human trafficking from taking place in our supply chains or in any part of our business. Burberry’s definition of slavery and human trafficking is aligned to section 54 (12) of the Modern Slavery Act 2015.

This statement is also made on behalf of the following subsidiaries of Burberry Group plc (company number 3458224): Burberry Limited (company number 162636), Burberry (UK) Limited (company number 4288292), Burberry International Holdings Limited (company number 4251867), Burberry (España) Holdings Limited (company number 5265289), 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

We are committed to doing well by doing right, from how we design, source and craft our products to how we support our communities.

Our latest Responsibility strategy, Burberry Beyond, consists of four pillars – Product, Planet, People and Communities, and brings together everything we do across our Company, our supply chain and our communities to create a better world for the next generation. We have set 12 targets across these priorities to embed responsible business practices, supported by our ongoing policy commitments. We recognise transparency is important, so we have in place metrics to measure and report on progress.

To positively impact people within and beyond our value chain, we collaborate across our business to protect and nurture luxury craftsmanship skills, and drive progress towards our diversity, equity and inclusion targets. Core to this agenda are; Respecting and upholding human rights, combatting the risk of modern slavery and increasing transparency throughout our supply chain.

This is our eighth Modern Slavery Statement and provides an overview of the progress we've made over the past year in strengthening our systems to prevent modern slavery in our supply chain and operations and how we have addressed identified risks.

During this time, we have remained committed to supporting the people in our supply chain and our local communities through the cost-of-living crisis, increasing climate related issues as well as the evolving geopolitical landscape. These are some of the biggest challenges the world faces today, and we want to ensure that we are playing our part in addressing these, and mitigating associated Human Rights implications.

In FY 2022/23, we continued to adapt our due diligence programme to focus on the key risk areas of our supply chain. In line with our commitment to ensure all key materials are 100% traceable, we have set certification targets for the following key raw materials:

cotton, nylon, polyester, viscose, wool, leather and feather and down. We have delved further into our raw materials supply chains to identify new potential modern slavery risks and we have started to develop a sourcing Country of Origin risk mapping tool that can be utilised by our product teams to support them when making sourcing decisions.

We expanded and strengthened our training programme for both internal teams and supply chain partners to build more effective prevention and mitigation actions, specifically working with external experts such as the International Organisation for Migration (IOM) to support our supply chain partners in responsible recruitment of migrant workers.

We have continued to collaborate with cross-industry groups, such as the Business Against Slavery Forum and the BSR Human Rights Working Group, to help target modern slavery. We continue to monitor and assess our response to new emerging risk areas, including those caused by the current global challenges.

As a responsible business, Burberry is closely monitoring the increasing trends towards mandatory human rights and ethical trading due diligence legislation. We continue to raise awareness and support our supply chain partners' compliance with such standards.

Our Business and Supply Chain

Our Business and Supply Chain

Burberry is a global luxury brand, headquartered in London, UK. We design, source, make and sell luxury products under the Burberry brand and we put sustainability and the wellbeing of our people and communities at the heart of our business decisions. Our identity is intrinsically linked to our British heritage and the 167-year-old legacy of our founder. Thomas Burberry established our brand as an outerwear pioneer driven by creativity. We build on this today.

Over 9,000 employees

140 nationalities

Across 34 countries

413 stores

Over 40 Responsibility specialists

FY 2022/23 revenues: £3.1 billion

We make our products at Burberry-owned sites in the UK and Italy, as well as in collaboration with a network of global suppliers. All our activities are underpinned by a commitment to responsible craftsmanship.

We sell Burberry products through our directly operated and franchised stores, as well as via wholesale partners and online. We use the product and distribution expertise of licensing partners for certain product categories, such as eyewear and beauty.

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.

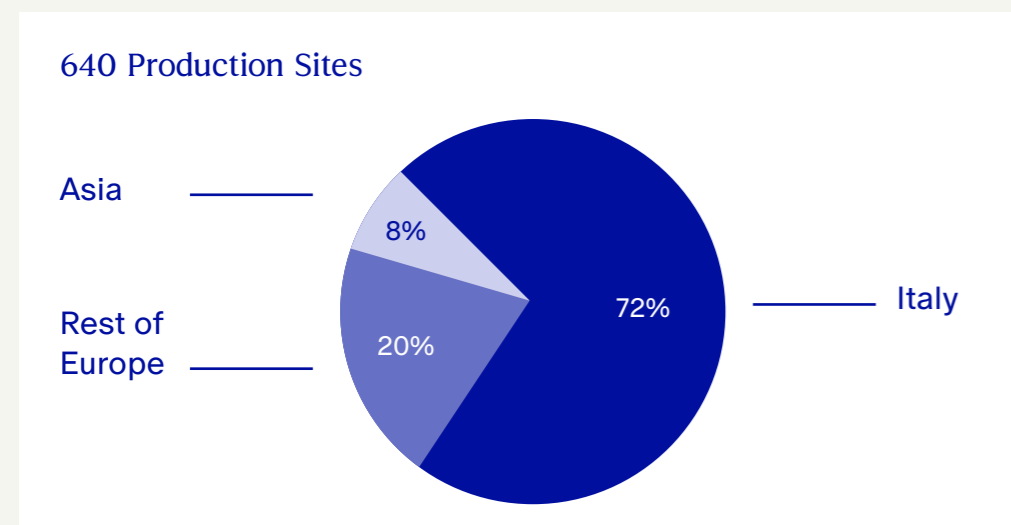
Our Product Supply Chain

As a modern luxury brand, we are passionate about driving positive change. We have clearly defined Principles aligned to our Responsibility agenda for all external partners to comply with, in order to ensure the wellbeing of people involved in the manufacturing of all Burberry’s production processes; protect the brand from human rights breaches; safeguard against modern slavery and prioritise the wellbeing of all involved.

We have two Burberry-owned manufacturing sites in the UK and two in Italy.

We also have a global network of supply chain partners that support the production of our products. We have visibility of all finished goods vendors (including manufacturing sites, their subcontractors and supporting facilities) and key raw material suppliers (including raw material mills, tanneries and trim suppliers). There are also many more indirect suppliers in our extended supply chain and for this reason, we’ve introduced new targets to ensure all key raw materials are 100% traceable by FY 2029/30 (back to country level as a minimum) and for 100% of key raw materials in our products to be certified. See our [Annual Report FY 2022/23](#) for further details on our raw material targets.

Supply chain partner production sites FY 2022/23:



Supplier production sites – workforce profile FY 2022/23:



We have longstanding partnerships with many of our suppliers, particularly in Europe, where some of our supplier relationships extend beyond 15 years. We believe that strong relationships are key to ensuring continuous improvement in supply chain working conditions.

LICENSEES

We license production of our beauty and eyewear products to Coty and Luxottica respectively. We work with both licensees to ensure they apply consistent standards which align with those adhered to across the rest of Burberry's supply chain.

Coty published a new Human Rights Policy in 2022 and has taken steps to mitigate risks in its supply chain. Coty is a founding member of The Responsible Mica Initiative (RMI), a multi-stakeholder action group aiming to establish a 100% responsible Indian mica supply chain by the end of 2030. Since 2017, Coty has been a member of the Roundtable for Sustainable Palm Oil (RSPO) and is working towards the ambition for all their palm oil to be RSPO mass balance-certified. For further details, see [Coty's Modern Slavery Statement](#)

Luxottica has several policies to address human rights and modern slavery risks, including its Responsible Sourcing & Manufacturing Principles (LRSM), Code of Ethics and Conflicting Minerals Policy. For further details, see [Luxottica's Modern Slavery Statement](#).

SERVICES AND GOODS NOT FOR RESALE

We also work with suppliers that support our broader business operations. These include logistics and waste contractors, and suppliers of goods not for resale such as packaging and visual merchandising. We require all our supply chain partners to comply with our Responsible Business Principles, including our Ethical Trading Code of Conduct. These are incorporated into our contractual agreements with vendors and suppliers (see policies section). We also carry out ethical trade audits to monitor compliance with our Ethical Trading Code of Conduct (see due diligence section – page 12).

Governance

Governance

We continue to implement and promote the management of modern slavery risks within Burberry and externally.

We have a Responsibility team consisting of over 40 specialists in key locations globally, with targets relating to our supply chain owned and monitored by dedicated teams. Burberry employees who are responsible for supply chain partner relationships and sourcing 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 several 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 which is chaired by the General Counsel. If 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. The Risk Committee, which meets at least three times a year, is chaired by the Chief Financial Officer, who sits on the Burberry Group plc Board. The Risk and Ethics committees report into the Group's Audit Committee which is chaired by an independent non-executive director.

Additionally, our sustainability strategies are reviewed by the Sustainability Committee which is chaired by the CEO. The governance structure chart below outlines the reporting lines of each of the committees.



WORKING WITH OTHERS

We aim to collaborate and work in partnership with others to identify and manage human rights and modern slavery risks. We participate in several cross-industry groups and partnerships including: We are committed to supporting the UN Sustainable Development Goals (SDGs) and report on how we contribute to the SDGs in our Responsibility Data Appendix FY 2022/23.

- The Business Against Slavery Forum, which is convened by the UK Home Office, and brings together some of the UK’s largest companies. Members share intelligence and best practice to help identify, tackle and prevent slavery in their supply chains.
- BSR Human Rights Working Group. We became members of Business for Social Responsibility (BSR) in 2022 and joined their Human Rights Working Group, which was established to help companies implement the UN Guiding Principles on Business and Human Rights (UNGPs). It supports companies to share best practices, challenges, and experiences implementing the UNGPs and to learn about both foundational human rights approaches and emerging issues.
- We are a long-standing member of the UN Global Compact
- We are committed to supporting the UN Sustainable Development Goals (SDGs) and report on how we contribute to the SDGs in our [Responsibility Data Appendix FY 2022/23](#).

Policies

Policies

We believe that respect for human rights is fundamental to modern business. The prevention of forced, bonded and trafficked labour is a core element of Burberry's Human Rights Policy and Ethical Trading Code of Conduct.

BURBERRY POLICIES

The Responsible Business Principles (the "Principles") have been developed in line with our commitments and experience over many 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 International Labour Organisation. We review and update the Principles on an annual basis to ensure that they align to the latest best practice guidelines and any emerging regulatory requirements. The Principles apply to all our business associates, which include, but are not limited to: raw material suppliers, finished goods vendors, subcontractors, supporting facilities, non-stock suppliers, construction contractors, licensees and franchisees.

The Principles are overseen by Burberry's Ethics Committee, chaired by our General Counsel, and are monitored by our Responsibility and Supply Chain teams.

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

HUMAN RIGHTS POLICY

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

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

ETHICAL TRADING CODE OF CONDUCT

This outlines requirements which all our business associates must uphold in relation to their own employees, contracted labour 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 Ethical Trading 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 during international and national 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 this policy based on learnings from partnering with Issara Institute, an NGO specialised on recruitment journeys for migrant workers in supply chains. We then recommunicated this policy to business associates to provide more detailed guidance on implementation of the policy and meeting the standards within it.

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

INFECTION MANAGEMENT CONTROL POLICY

Most of our supply chain has now returned to operating as they were prior to the COVID-19 pandemic. To support our business associates in continuing to ensure a safe and healthy environment for employees, customers, partners and visitors, 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.

Looking ahead, we will also support our partners and their employees that are facing any longer term effects of the pandemic, by providing psychological guidance through our NGO sponsored worker hotline, and additional assistance through our health and wellbeing programmes.

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 non-compliances 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](#).

Human Rights Due Diligence

Human Rights Due Diligence

ASSESSING OUR HUMAN RIGHTS IMPACT

Every two years, we conduct a Human Rights Impact Assessment (HRIA) of our operations and activities and those of our extended supply chain. If a 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 and continue to evolve and develop our human rights diligence approach, as well as our Ethical Trading Programme. As part of this, over the last two years we have implemented several mitigation action plans focused on the three highlighted areas from our FY 2020/21 assessment:

Diversity, Equity and Inclusion

Worker voice

Modern Slavery

On diversity, equity and inclusion, we have strengthened our partnership with cultural mediators and provided migrant workers with tools to expand their awareness about public services and facilitate access to them. In relation to worker voice, we have continued to sponsor our hotlines, which remain a key tool to capture workers' needs. Over the last year, we have also expanded the hotlines' reach to new countries and more workers within our raw material supply chain. Finally, in response to modern slavery risks, we monitor our policies to ensure they remain relevant, we strictly implement our due diligence process at onboarding and we keep refining our audit tools. We also conduct training for both internal teams and supply chain partners to raise awareness and provide tools to prevent and mitigate this risk.

Our latest impact assessment took place in Q4 of FY 2022/23, where in addition to our standard assessment, we conducted a supplementary analysis with a specific lens looking at where migrant workers' human rights may mostly be affected. This assessment also included considerations related to the UNGA's recognition of the Right to a clean, healthy, and sustainable environment, under international law. We used this opportunity to explore what this could mean for the workers throughout our supply chain, who carry out a variety of manufacturing processes, in many different environments across the world.

These assessments identified the following salient key areas where human rights violations are more likely to be identified across our finished goods and raw materials suppliers.

These are:

Working and living conditions, including access to health services

Worker voice – specific to providing remedy

Diversity, equity and inclusion

Modern slavery

As we move into the next year, we will continue to build out our action plans to further address these risk areas, as well as driving a clear focus on ensuring our business practices have a positive impact on workers in the supply chain.

To ensure our HRIA methodology remains comprehensive and continues to provide us with a material assessment of Burberry's operational Human Rights footprint, we are working closely with an external consultant, to revise and enhance our methodology.

TRACEABILITY

We are developing a traceability programme for raw materials. This will enable us to more closely assess and manage the social impacts of raw material sourcing. As part of the programme, we have implemented a traceability pilot project with some of our key cotton suppliers, using a third-party traceability tool which tracks the cotton back to the farm and country of origin. We will extend this trial in the coming year, with an aim to have full traceability of key raw materials by FY 2029/30. This is also aligned with our existing raw material and traceability targets, which we are currently on track to achieve by FY 2029/30. See our [Annual Report FY 2022/23](#) for further details of our targets and progress on raw material traceability and certification.

DUE DILIGENCE AND ASSESSMENT OF OUR SUPPLY CHAIN

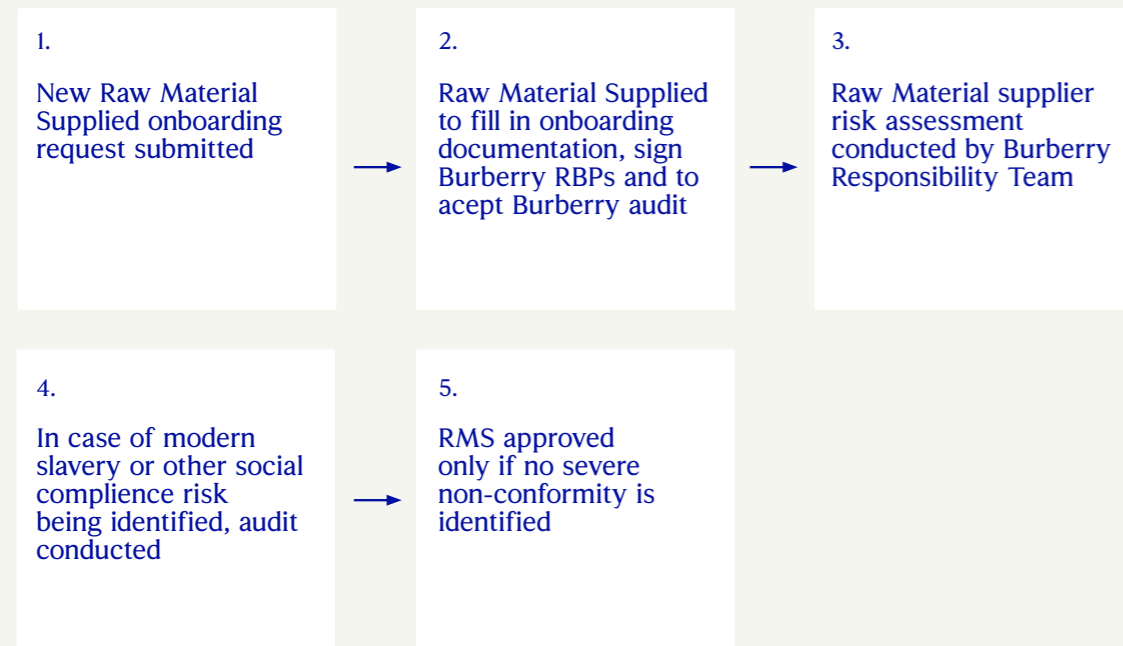
Our due diligence model includes and combines the activities we put in place to identify and manage social risks in our product supply chains. We review our due diligence model regularly to ensure it meets the expectations of our external stakeholders such as consumers, investors and governments and to ensure ongoing alignment to legislation.

SUPPLY CHAIN PARTNER ON BOARDING

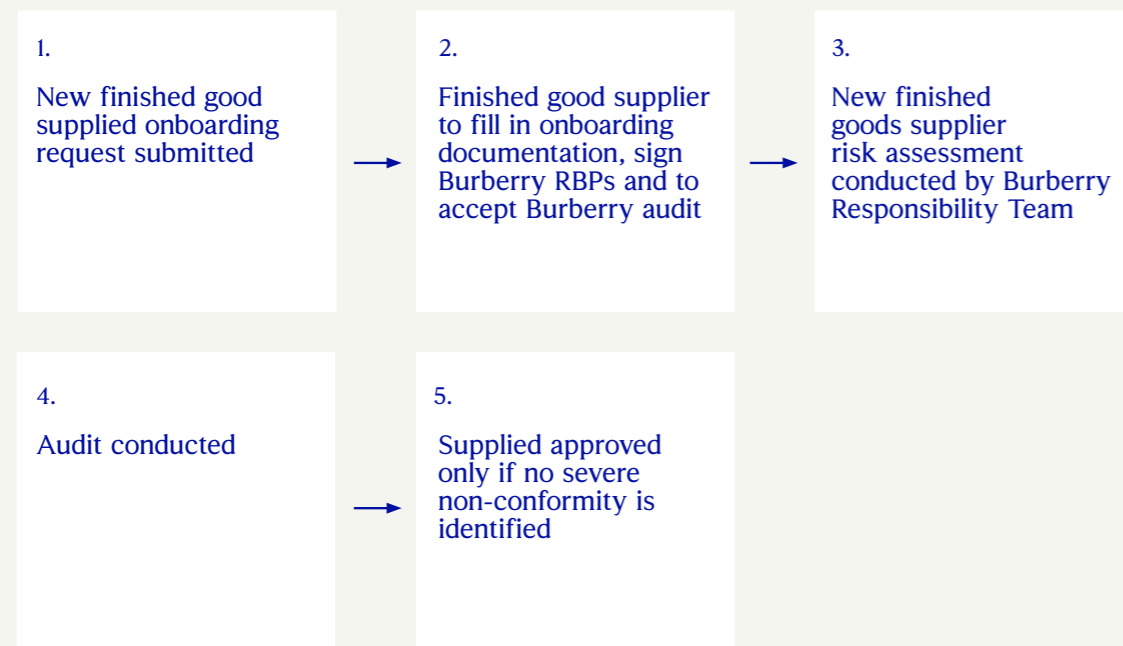
All our supply chain partners and their supporting facilities are screened and assessed at the onboarding stage to identify any human rights and modern slavery risk. We require all our partners to acknowledge and sign Burberry's Responsible Business Principles to ensure mutual agreement that any form of modern slavery, included forced, bonded or involuntary prison labour, is not permitted under any circumstances.

Adherence to the Principles is included in our contracts with suppliers. They 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. Right from the onboarding stage, they are also required to agree that we may visit and assess their own compliance and that of their suppliers at any time. Before any new supply chain partner is approved, they are risk assessed for social compliance and any indication of forced, bonded or trafficked labour. For raw material suppliers, 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 providing approval is made. Should remediation be unsuccessful at any stage and a supplier not meet our strict criteria, we do not pursue any working relationship with them.

New raw material suppliers onboarding process:



New finished goods suppliers onboarding process:



AUDITS AND ASSESSMENTS

We continually assess human rights risks and labour conditions across our global supply chain through monitoring and verification activities as part of our Ethical Trading Programme, which was established in 2004.

Before a new supply chain partner is approved to work with Burberry, we assess its compliance with the Principles and applicable local laws and commitment to uphold them. Such assessment includes an Ethical Trading Audit. We have a team of ethical trading experts within our Responsibility team who carry out ethical audits across our supply chain, and are supported by interpreters and cultural facilitators where required. External accredited auditing agencies are also appointed to conduct audits in some cases. 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, whereas facilities where more severe non-conformities are identified are audited every three to six months. Between audits, our Responsibility team works closely with facilities to support the implementation of required improvements and to implement systems to prevent modern slavery, as well as to improve the management of human rights and health and safety risks.

During the FY 2022/23, we conducted 449 audits and 19 engagement activities across our finished goods and raw material supply chains. All our partners are provided with an approved corrective action plan that is closely monitored and supported by our teams, who work with the facilities on a continuous improvement plan. This year, the main areas of non-conformance with our standards related to health & safety and working hours, and we will continue to work with our partners to identify the root cause of these issues, and implement actions to address them.

Our audits also address the risk posed by unauthorised subcontracting. As a global organisation, we accept our responsibility to support and guide our partners by raising awareness of associated risks of modern slavery at subcontractors. Our partners have extended the no-tolerance policy of unauthorised subcontracting to all of their partnerships and in some cases implemented digital tracking systems to prevent outsourcing.

We have also continued to extend the scope of our ethical audit programme to cover logistics and distribution centres, service providers and suppliers of GNFR, where we identify risks based on location, worker demographic or processes carried out at the facility. In FY 2022/23, we carried out ethical audits at gifting and marketing vendors, suppliers of packaging and visual merchandising suppliers, and we will continue to enhance our risk mitigation in this area of our supply chain.

ADDITIONAL SUPPLY CHAIN ACTIVITIES

Burberry understands that utilising an auditing approach alone to due diligence, does not always lead to sustainable change. Therefore we have implemented several additional programmes to support our partners' capabilities to identify, manage and prevent social risks within their own facilities and extended supply chains.

ETHICAL TRADING CAPACITY BUILDING PROGRAMME

In order to promote ethical audits through further tiers of our supply chain, we continue to extend our capacity building programme, named the Vendor Ownership Programme. This supports key supply chain partners in the EMEIA region to adopt their own ethical audit programmes across their own supply chain.

Thanks to our vendors' continued engagement, along with extensive support and training, the programme is a key pillar for ensuring Burberry's Ethical Standards are met in our supply chain. By developing a collaborative and mutually supportive approach with our vendors, we have achieved a hugely positive impact in identifying, assessing, preventing and mitigating risks within our supply chain. Regular audits focused on human rights as well as health and safety are conducted both by our vendors' appointed resources and 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 the vendors' support facilities, who work on bridging the gaps identified.

We ensure a continuous in-depth analysis and investigation of supply chain related issues through training sessions, which are facilitated by Burberry and delivered both by the Burberry Responsibility Team and external consultants – designed upon vendors' needs and to respond to external challenges.

The programme is now in place at 22 vendors (21 in Italy and 1 in UK) reaching over 16,500 workers across 252 subcontractors, covering 47% of our EMEIA product supply chain.

WORKER WELLBEING PROGRAMME

We aim to engage our supply chain partners in programmes that support the wellbeing of workers across our supply chain. In FY 2022/23, eight key finished good vendors in Italy and seven key manufacturing facilities based in China, Vietnam and Thailand participated in our worker wellbeing programme, which we first launched in 2018. This has covered over 5,000 workers in our supply chain during FY 2022/23. By focussing on worker wellbeing, we aim to help our suppliers to improve employee satisfaction and attract and retain talent.

The programme has included:

- Training sessions and workshops for site managers to increase knowledge about worker wellbeing.
- A survey to measure worker wellbeing, which was originally developed in partnership with Oxfam and adapted over time. This covers topics such as happiness at work, job satisfaction, personal and professional development, and physical wellbeing. An additional section was added for the APAC region focusing on how the COVID-19 pandemic has affected workers wellbeing.

Our Corporate Responsibility team has worked with the participating sites to review survey results and encourage them to develop specific action plans (in consultation with workers) to drive improvement. We also monitor implementation of the action plans. In response to the feedback, our suppliers have made various improvements over the past year such as development of worker and supervisor training programmes and initiatives to promote internal dialogue.

Next year we plan to extend the programme to cover more supply chain partners and will encourage participants to cascade the project across their own supply chain where applicable.

Wellbeing programme reached over

5,000
workers

DUAL CAPACITY BUILDING INITIATIVE FOR MIGRANT WORKERS

We have started a new dual capacity building initiative to support the ethical recruitment, employment and integration of migrant workers across our European supply chain. This aims to both educate management across our vendors as well as build awareness with workers.

We have developed a grievance mechanism for migrant minorities, which has been designed with the support of experts in modern slavery. This provides a confidential channel for migrant workers to identify, report and address potential instances of modern slavery. We plan to pilot this with nine supply chain partners in FY 2023/24.

A training programme has been developed for our supply chain partners, in collaboration with the International Organisation for Migration (IOM). This is designed to help educate our vendors and raw material suppliers on how to ensure the protection of migrant workers, with a specific focus on their recruitment journey. It includes a deep dive on diversity and inclusion best practices in order to support the integration of migrant workers into the local workshop population.

In total, this training reached 77 supply chain partners and impacted 9,500 workers in FY 2022/23. This included 37 of our first-tier partners in Italy and eight direct partners of our Italian owned manufacturing facility, Burberry Manifattura and 100% of first tier and second tier partners in Poland, Romania and Moldova. Across our supply chain partners, attendees included managers, human resources teams and internal auditors. In addition, 100% of our Vendor Ownership Programme auditors (21), as well as Burberry auditors, have been trained to identify red flags and deep dive into recruitment dynamics.

Based on the positive feedback received by attendees, we are currently exploring new opportunities for creating a longer-term partnership with IOM on enhancing due diligence and migrant workers voice on a more permanent basis, across the whole impacted value chain.

LIVING WAGE

Burberry is committed to the promotion and adoption of a living wage in our own operations and supply chain and is proud to become the first luxury retailer and manufacturer to achieve accreditation as a UK Living Wage employer. In 2016, Burberry joined the Global Living Wage Initiative, which works to address in-work poverty across all sectors and multiple geographies, as part of a unified, global approach with multi stakeholder participation.

In 2022, we brought forward the new UK real Living Wage pay rates as defined by the Living Wage Foundation by more than six months. Several of our UK suppliers are Living Wage Employers, including our longest standing partner Johnston's of Elgin, manufacturers of Burberry's Heritage Cashmere scarves.

Training reached

9,500
workers

77
partners

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 and confidential support.

>27,000 workers
are able to access worker hotlines
in place across our supply chain.

During FY 2022/23, Burberry sponsored hotlines received 502 calls (467 calls in FY 2021/22). These included 18 complaints, 464 consulting requests and 20 psychological support requests. All calls have either been responded to by the NGO that operates the hotline and/or the factories to address the workers' concern. Grievance resolution is monitored by the Responsibility team. Next year, we will continue to look for opportunities to expand hotline support.

Our Ethical Trading Code of Conduct also recognises the right for employees to join trade unions and collective bargaining. Over 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.

The below is an example of a case received from hotline in FY 2022/23 and how the concern was resolved:

MIGRANT WORKER DOCUMENTATION CONCERN

A worker contacted the hotline and raised a concern that their working Visa documentation had expired for some time, but their factory management was yet to help them renew it. The hotline facilitator communicated with the factory representative and noted that the queue of renewal application was significant, due to the local embassy having been closed for more than 2 years during the COVID-19 pandemic and had only recently re-opened. The hotline transferred the message to the worker explaining the reasons of delay and reassured them about their concerns. The Factory management also conducted a meeting with all their migrant workers to explain the situation and regularly reported the progress of the renewal status of their documents. To date, all the documents have been renewed and the worker's concerns have been resolved.

Training and Resources

Training and Resources

Burberry's employees and supply chain partners are essential in helping to identify and prevent modern slavery in our supply chain.

BURBERRY INTERNAL TEAMS TRAINING

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.

Raising awareness and conducting training on the risks associated with modern slavery is critical for those making sourcing decisions. In FY 2022/23, 89 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. The training also has a module on responsible buying practices, to explain the link between purchasing practices, potential impact on working conditions and risk of Human Rights violations. 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 FY 2023/24, we will continue to extend our offering of 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

Training our supply chain partners, including vendors and key raw material suppliers, on understanding, identifying and managing modern slavery risks, is a key component of our strategy as our partners play an integral role in helping us to identify and prevent modern slavery in our supply chain.

As part of our onboarding process, we conduct training with all of our new suppliers to ensure they have a clear understanding of our ethical trade requirements before an audit takes place. We highlight the importance of being transparent during an ethical audit, and clearly explain what our critical issues are.

This year, we focused our training efforts on ethical recruitment, employment and integration of migrant workers, across our European Supply Chain, which is where the majority of our partners are located.

We have developed and started to roll out a training programme for our supply chain partners, in cooperation with the International Organisation for Migration (IOM), to support the ethical recruitment, employment and integration of migrant workers across our EMEIA supply chain (see due diligence section – page 12). In total, this training reached 77 partners and positively impacted over 9,000 workers.

Next year, we plan to further roll out the migrant worker training. We also plan to conduct training on risks associated with sourcing from different countries, and ways we can mitigate risks from entering our supply chain at the very initial stages of onboarding.

Training reached

9,000
workers

77
partners

Effectiveness of Measures and Our KPI's

Effectiveness of Measures and Our KPI's

| Our commitment /KPI | Progress during FY22/23 | Planned actions for FY23/24 |
|--|--|--|
| Burberry internal teams training | | |
| <p>The Burberry Responsibility team trains 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.</p> | <p>In FY 2022/23, 89 members of our internal supply chain, sourcing, internal manufacturing and product teams received either introductory or refresher training</p> | <p>We will continue to extend our offering of online resources and continue to conduct trainings to reach a wider audience of employees and further embed awareness and risk mitigation into our culture. We will also conduct specialised training on Country of Origin (COO) associated risks, and provide the tools to help mitigate risks from entering our supply chain at the very initial stages of onboarding.</p> |

| Our commitment /KPI | Progress during FY22/23 | Planned actions for FY23/24 |
|---|---|---|
| Supply chain training | | |
| <p>We regularly train our 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.</p> | <p>In collaboration with the IOM, we deployed a training on the responsible recruitment of migrant workers, to key partners across our EMEIA supply chain. In total, this training reached 77 partners and impacted over 9,000 workers.</p> | <p>We will continue to explore opportunities with external experts such as the IOM, to provide our supply chain with the knowledge and tools to mitigate risks in their own supply chains</p> |

| Our commitment /KPI | Progress during FY22/23 | Planned actions for FY23/24 |
|--|--|---|
| Audits and assessments | | |
| <p>Our audit and assessment programme covers all our finished goods facilities and their subcontractor supply chains as well as key raw material suppliers, to ensure compliance with the Burberry Ethical Trading Code of Conduct</p> | <p>In FY 2022/23, we conducted 449 ethical trading audits and 19 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.</p> | <p>We will continue to conduct ethical trading audits across our supply chain, where risks are most prevalent, and review our due diligence model to ensure it meets the heightened expectations of our external stakeholders such as consumers, investors and governments and to ensure alignment to global legislation.</p> |

| Our commitment /KPI | Progress during FY22/23 | Planned actions for FY23/24 |
|---|--|--|
| Worker voice | | |
| <p>We seek to ensure that employees and workers in our supply chain have access to confidential support and advice. We provide grievance 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 and confidential support</p> | <p>During FY 2022/23, Burberry's worker hotline received 502 calls, categorised as 18 complaints, 464 consulting requests and 20 psychological support requests.</p> | <p>In the coming year, we will continue to look for opportunities to provide hotline support to more factories prioritising suppliers with migrant workers, continue to improve workplace communication channels and look after the wellbeing of workers and management.</p> |

| Our commitment /KPI | Progress during FY22/23 | Planned actions for FY23/24 |
|---|---|--|
| Wellbeing | | |
| <p>We aim to engage our supply chain partners in programmes that support the further advancement of wellbeing, livelihoods, inclusivity and worker voice across our supply chain.</p> | <p>This year, 15 of our key supply chain partners have been actively involved in our wellbeing programme, positively impacting over 5,000 workers. As well as ensuring continuous improvement across workers' wellbeing, we also focused on responding to specific gaps and needs to maintain critical skills, attract and retain unique talents, encourage a responsible employee-conscious culture and ensure a sustainable supply chain through specific action plans.</p> | <p>Over the next year we plan to keep engaging the participants involved during the last year in order to work with them to strengthen the improvements achieved, measure the results obtained as well as to cascade the project within their own supply chain where applicable. Moreover we are planning to include more key vendors and manufacturing facilities aiming at bringing wider positive impacts along our supply chain.</p> |

| Our commitment /KPI | Progress during FY22/23 | Planned actions for FY23/24 |
|---|---|--|
| Human Rights Impacts | | |
| <p>We regularly conduct Human Rights Impact Assessments (HRIA) of our operations and activities and those of our extended supply chain, to understand our potential and actual impacts.</p> | <p>Our latest impact assessment took place in Q4 of FY 2022/23, where in addition to our standard assessment, we conducted a supplementary analysis with a areas where human rights violations are more likely to be identified across our finished goods and raw materials suppliers. This identified the following key areas where human rights violations are more likely to be identified across our finished goods and raw materials suppliers.</p> <p>These are:</p> <ul style="list-style-type: none"> · Working and living conditions, including access to health services · Worker voice – specific to providing remedy · Diversity, equity and inclusion · Modern slavery | <p>Utilising the results from our Human Rights Impact Assessment, in FY 2023/24 we will continue to focus on implementing measures to mitigate these risk areas. In addition, to ensure our HRIA methodology remains comprehensive and provides us with a material assessment of Burberry’s operational Human Rights footprint, we are working closely with an external consultant, to revise and enhance our methodology.</p> |

Looking Ahead

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 2022/23 Human Rights Impact Assessment.

A key focus in the coming year will be to continue to enhance our due diligence model to ensure it meets the heightened expectations of our external stakeholders such as consumers, investors and governments and ensure alignment to upcoming human rights legislation. We will also work to strengthen our human rights strategy, which will be supported by the revisions made to our human rights impact assessment methodology and underpinned by our modern slavery mitigation programme. As part of this, we will continue to review our own business operations and procurement procedures to ensure that risks of modern slavery are considered right from the initial stage of sourcing.

Over the next year we will increase our efforts to strengthen our supply chain traceability, in line with our FY 2029/30 commitments. We believe that our focus on transparency and traceability throughout the supply chain will further strengthen our ability to identify modern slavery risks and address any new challenge that might emerge.

Should any instances of modern slavery be identified, we believe that we are well positioned to address these, and to support workers through the mitigation and prevention processes we have put in place.

Approved by the Board on 11th May 2023 and signed on its behalf by:

Jonathan Akeroyd

Chief Executive Officer
Burberry Group plc

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