

BURBERRY

LONDON ENGLAND

BURBERRY IN A SNAPSHOT

FY21 FINANCIAL PERFORMANCE*

Revenue
£2.3bn

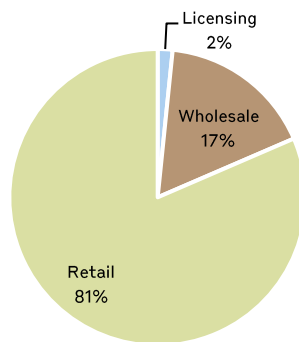
Adjusted operating profit**
£396m

Adjusted operating margin**
16.9%

Cash (net of overdrafts and borrowings)
£919m

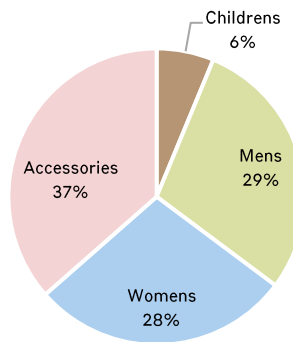
FY21 GROUP REVENUE

BY CHANNEL

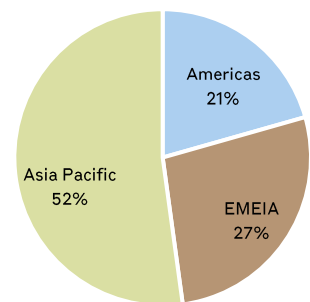


FY21 RETAIL/WHOLESALE REVENUE

BY PRODUCT



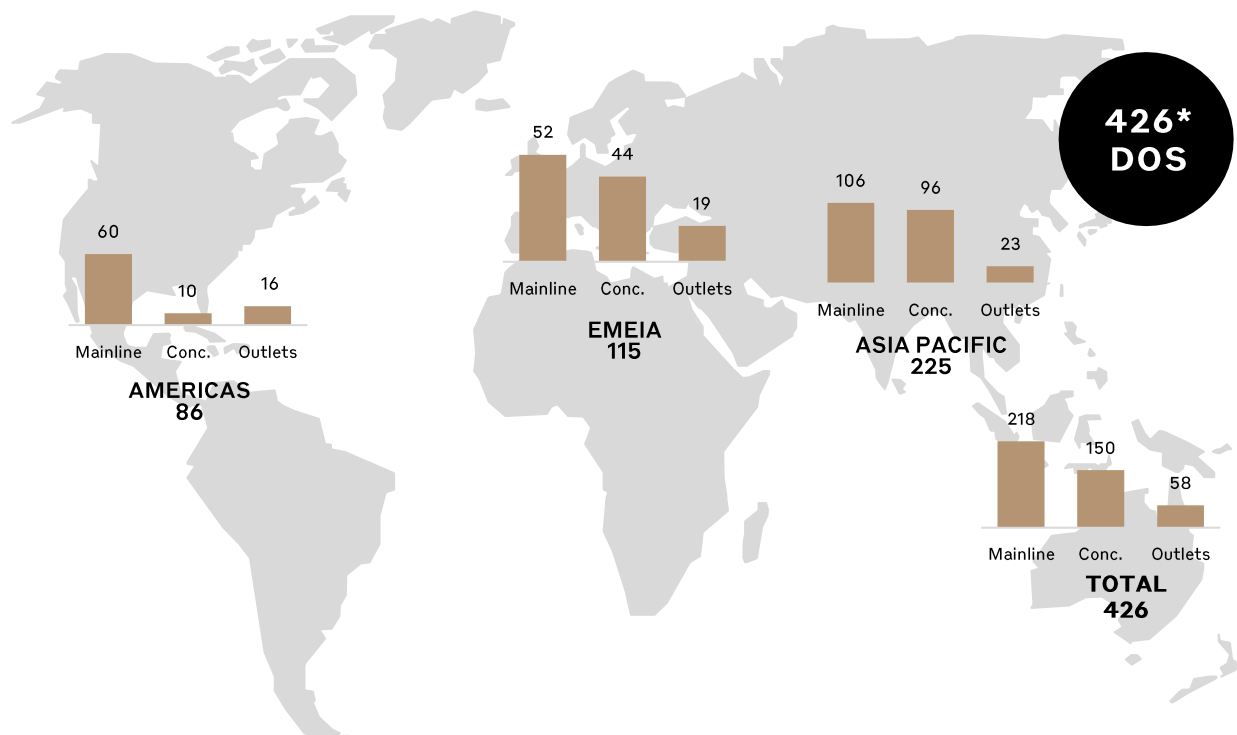
BY REGION



*Financial information is presented at reported exchange rates

**Adjusted Profit is an alternative performance measure. For details of Burberry's reported results and alternative performance measures please see page 54 of the FY21 Annual Report and Accounts

EXTENSIVE LUXURY DISTRIBUTION FOOTPRINT



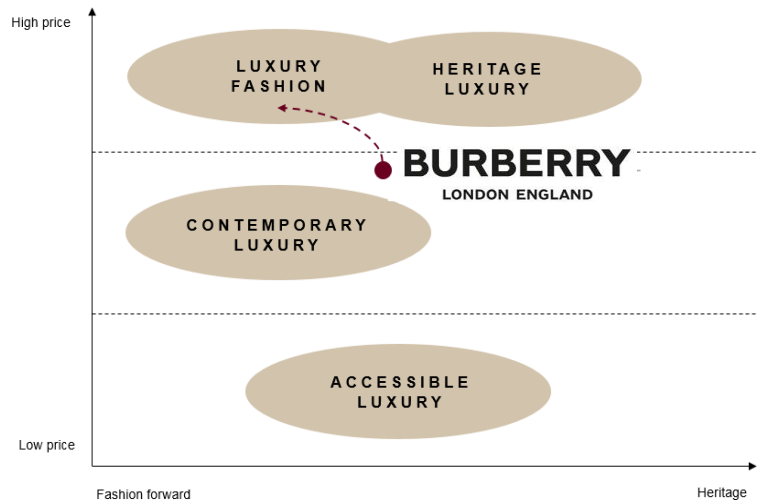
*Footprint as of 25 December 2021 Burberry also has 39 franchisees

STRATEGY

In 2017 we announced our vision for Burberry to firmly establish our position in luxury fashion, inspiring customers with our unique British attitude. We based our strategy on four revenue drivers with two enablers as shown in the diagram below.

We set out two phases to reach our vision, with clear objectives for the first phase. We wanted to re-energise our brand, renew our product, evolve our communications and transform the customer experience. We also set out to maintain sales and profit broadly stable while undergoing this transition.

In the last three years we have met our objectives and transformed the business.



TWO PHASES TO ACHIVE OUR VISION



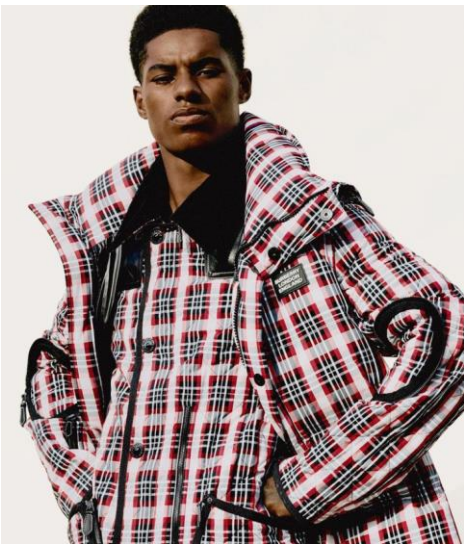
- | | |
|---|---|
| <p>FY18/19</p> <ul style="list-style-type: none"> • Re-energise the brand • Renew the product • Evolve the communication • Transform the experience | <p>FY21</p> <ul style="list-style-type: none"> • Continue to invest in our brand • Accelerate revenue growth • Meaningfully expand margin • Drive positive change |
|---|---|

THE NEXT CHAPTER: GROWTH ACCELERATION



DRIVE REVENUE THROUGH 5 KEY LEVERS:

1. BUILD BRAND ADVOCACY AND COMMUNITY
2. FOCUS ON CORE CATEGORIES
3. DRIVE STORE PERFORMANCE
4. SUPERCHARGE DIGITAL SALES
5. FOCUS ON FULL PRICE



DRIVE PROFIT THROUGH 5 KEY LEVERS:

1. GROSS MARGIN STRENGTH THROUGH LUXURY PRICING AND REPLENISHMENT
2. FULL PRICE PENETRATION
3. SALES DENSITY
4. DIGITAL PENETRATION
5. COST CONTROL

ENABLERS OF OUR STRATEGY



AGILE SUPPLY CHAIN DELIVERING EXCEPTIONAL QUALITY AND SERVICE

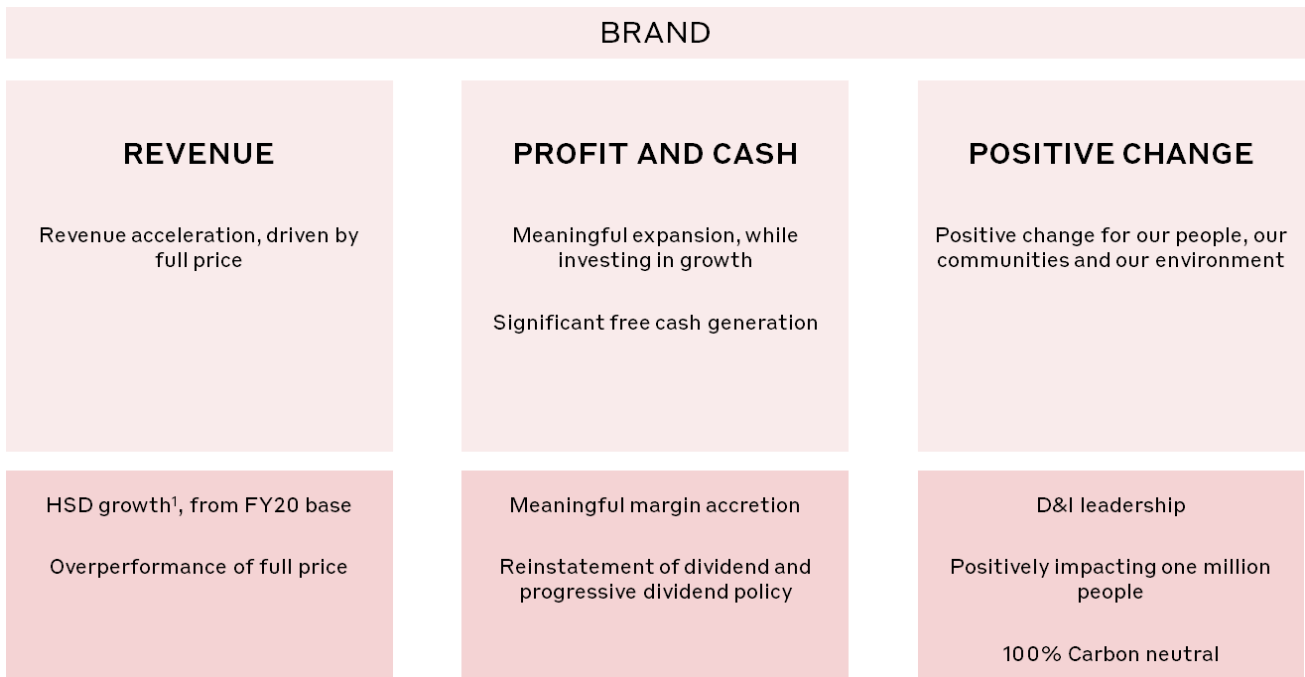
SECURE, INTEGRATED AND CONSUMER-LED TECHNOLOGY

WORLD-CLASS TALENT

OPERATIONAL EFFICIENCY



MEDIUM-TERM TARGETS

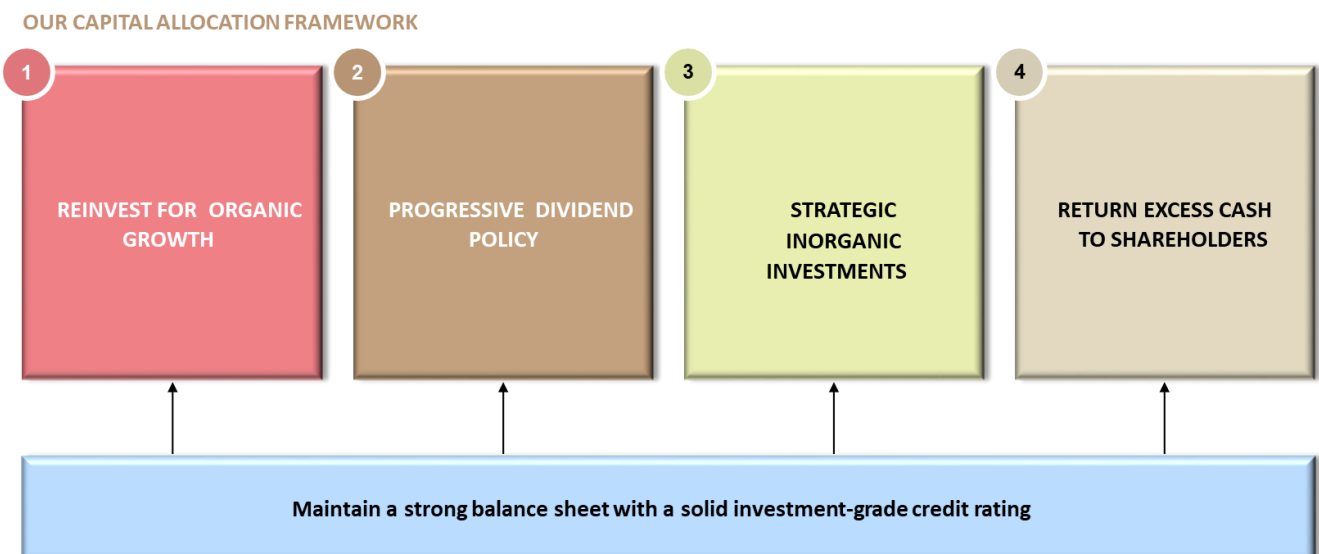


1 Medium term CAGR from FY20 base; CER.

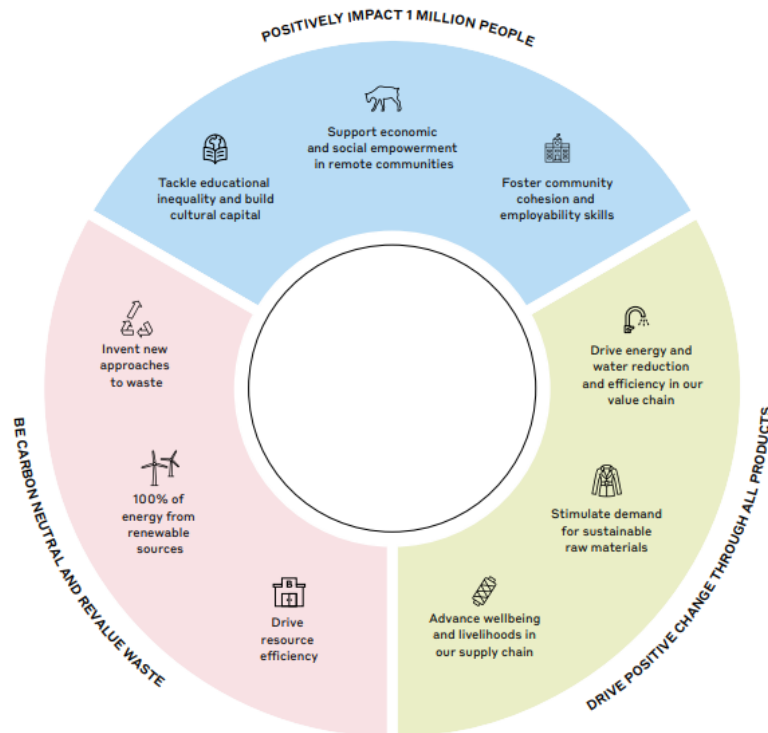
OUR CAPITAL ALLOCATION FRAMEWORK

Our capital allocation principles are based on maintaining an investment grade credit rating - Moody's Baa2 (stable). We aim for Net Debt/adjusted EBITDA to be in the range of 0.5x to 1.0x on a rolling 12 month period.

Dividend reinstated to pre-COVID-19 levels.



RESPONSIBILITY AGENDA: CREATING TOMORROW'S HERITAGE



The figures below are based on Burberry's achievements in FY 20/21

PRODUCT

Goal: 100% of products to have >1 positive attribute by 2022

- Progress: 94% of product has 1 positive attribute; 82% of product has >1 positive attribute[^]

Goal: 100% of cotton* to be procured more sustainably by 2022

- Progress: 78% of cotton* procured more sustainably

Goal: 100% of leather to be sourced from tanneries with environmental, traceability and social compliance certifications by 2022

- Progress: 80% of our leather is sourced from certified suppliers

New targets to 2025:

- Ensure all key materials are 100% traceable
- Source 100% certified recycled nylon* and recycled polyester*
- Source 100% certified wool*
- Source 100% certified organic cotton*

COMPANY

New Goal: Climate Positive by 2040, cutting emissions across extended supply chain by 46% by 2030**

Goal: Be carbon neutral in our own operational energy use by 2022

- Progress: 92% reduction in market-based emissions since FY 16/17

Goal: 100% of electricity used in our own operations to be renewable by 2022

- Progress: 93% of electricity used in global footprint is from renewable sources[^]

Goal: Reduce and revalue our waste

- Progress: no destruction of unsaleable finished products. Zero operational waste sent to landfill from key sites[^]

COMMUNITIES

Goal: To positively impact 1 million people by 2022

- Progress: 680,170[^] people positively impacted since the launch of partnerships in FY 16/17

Goal: Tackling educational inequality and building cultural capital

- Progress: 130,360 in FY 20/21

Goal: Fostering community cohesion and employability skills

- Progress: 42,810 in FY 20/21

Goal: Supporting economic and social empowerment

- Progress: 73,189 in FY 20/21

* where the material referenced is the product's main material

New Goal**:

- Accelerate ambition to reduce emissions by 46% across extended supply chain (from a previous target of 30%) by 2030. This means Burberry's Science Based Targets will be aligned to the 1.5°C pathway set out in the Paris Agreement
- Become Net-Zero by 2040, 10 years ahead of the 1.5°C pathway set out in the Paris Agreement
- Accelerate low-carbon future solutions and invest in nature-based projects with carbon benefits that restore and protect natural ecosystems and enhance the livelihoods of global communities through the Burberry Regeneration Fund

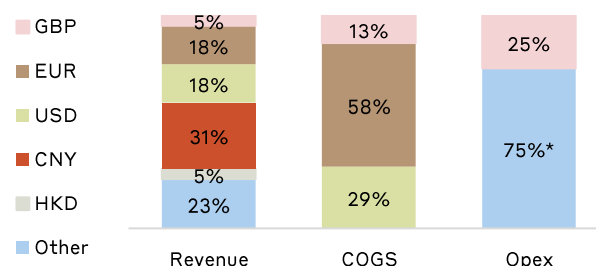
External Assurance of Corporate Responsibility Disclosures

Burberry has appointed PricewaterhouseCoopers LLP (PwC) to provide limited assurance over selected company, product and community information for FY 2020/21. Information forming part of the assurance scope is denoted with a [^]. The assurance statement and Burberry's basis of reporting are available on Burberryplc.com.

FOREIGN EXCHANGE

Exchange rates	Spot rates	Actual effective exchange rates		
		24-Dec-21	FY21	FY20
£1=				
Euro	1.17	1.12	1.14	
US Dollar	1.36	1.30	1.27	
Chinese Yuan	8.74	8.85	8.88	
Hong Kong Dollar	10.62	10.08	9.89	
Korean Won	1,589	1,514	1,504	

Simplified view of Burberry's FX exposures in FY21



*Other opex includes HKD, USD, EUR and CNY

In FY21, a +/-5% move in GBP would have resulted in a +/-£35m impact on adjusted operating profit

CHAIR and CO&FO



Gerry joined Burberry as chair on 17 May 2018 with extensive experience on public company boards. In addition to Burberry Gerry has been Chairman of Tate & Lyle plc since 2017 and was Chairman of The Blackstone Group International from 2009 to 2019 and a partner in the firm's private equity investment unit from 2008 to 2017. From 2003 to 2008, Gerry was CEO of Kingfisher plc. He previously served as CEO of Carlton Communications plc (now ITV) from 2000 to 2003; Exel plc from 1995 to 2000; Greencore Group plc from 1991 to 1995; and spent his earlier career with Grand Metropolitan plc (now Diageo plc). Gerry has served as a Non-Executive Director on the Boards of British American Tobacco plc from 2009 to 2017; Merlin Entertainments plc from 2009 to 2015; Reckitt Benckiser plc from 2005 to 2008; Abbey National plc in 2004, and Novar plc from 1997 to 2003.



Julie joined Burberry from Smith & Nephew where she was the Group CFO from 2013-2017. Prior to this, she was Interim Group CFO of AstraZeneca. During her 25 years with the firm, she held a number of positions across three continents, covering Group and Business Finance, Strategy and Commercial positions, including Regional and Country President. She gained extensive M&A experience through the merger of AZ and in her role at Smith & Nephew. Julie is also a Non-Executive Director and Audit Chair of Roche Holding Limited. She is Ambassador for the Prince's Trust Women Supporting Women initiative and co-Chair of The Prince's Accounting for Sustainability Project's CFO Leadership Network. Julie is also a member of the UK Prime Minister's Council, the Mayor of London's Business Advisory Board and Patron of Oxford University Women in Business. She is a Fellow of the Institute of Chartered Accountancy and the Institute of Tax, after qualifying with KPMG

Marco Gobbetti resigned as Chief Executive Officer of Burberry and left the company at the end of 2021. Burberry has announced the appointment of Jonathan Akeroyd as Chief Executive Officer, effective 15 March 2022.

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- All metrics and commentary in this presentation are at reported FX and exclude adjusting items unless stated otherwise.
- Details of Burberry Alternative Performance Measures are set out on page 20 of the Preliminary Announcement 2021
- Certain financial data within this presentation have been rounded.