

# BURBERRY

LONDON ENGLAND

## BURBERRY IN A SNAPSHOT

### FY22 FINANCIAL PERFORMANCE\*

Revenue  
£2.8bn

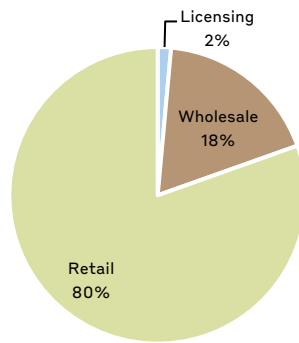
Adjusted operating profit\*\*  
£523m

Adjusted operating margin\*\*  
18.5%

Cash (net of overdrafts and borrowings)  
£879m

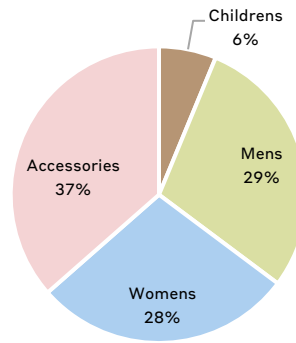
### FY22 GROUP REVENUE

#### BY CHANNEL

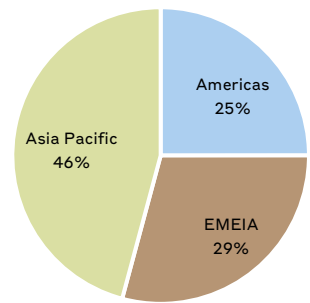


### FY22 RETAIL/WHOLESALE REVENUE

#### BY PRODUCT



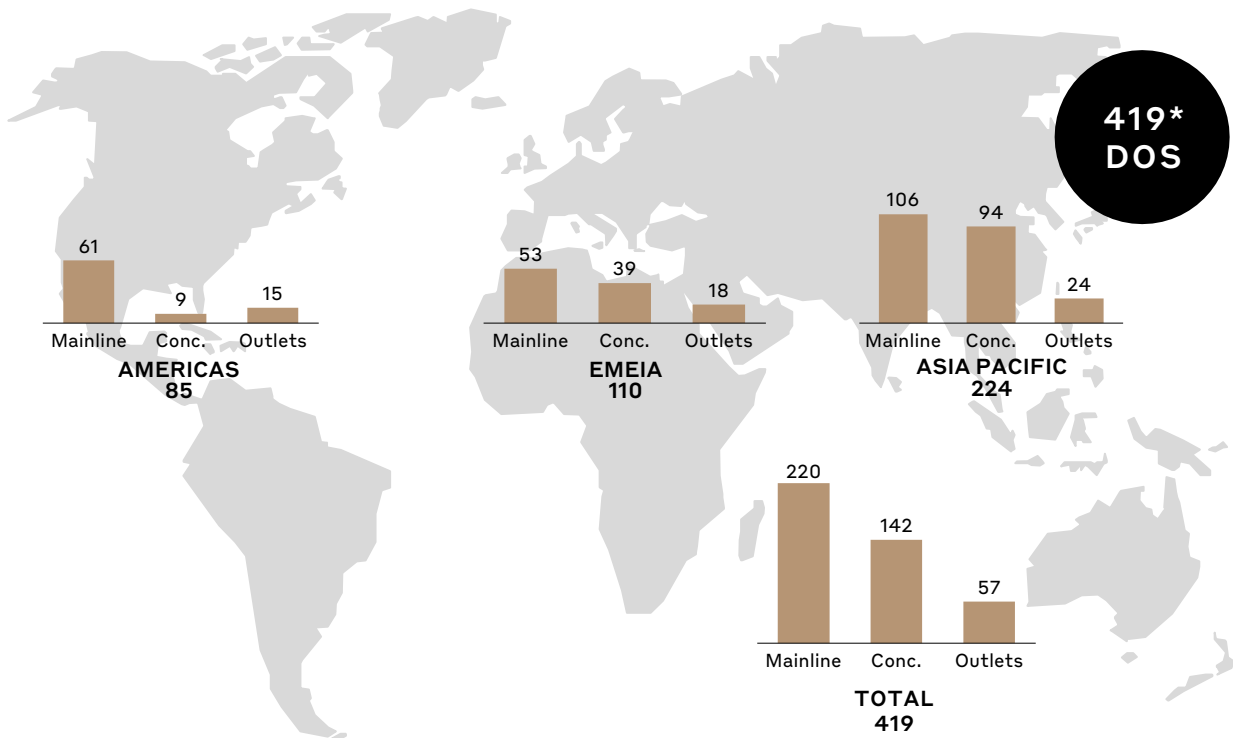
#### BY REGION



\*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 49 of the FY22 Annual Report and Accounts

## EXTENSIVE LUXURY DISTRIBUTION FOOTPRINT



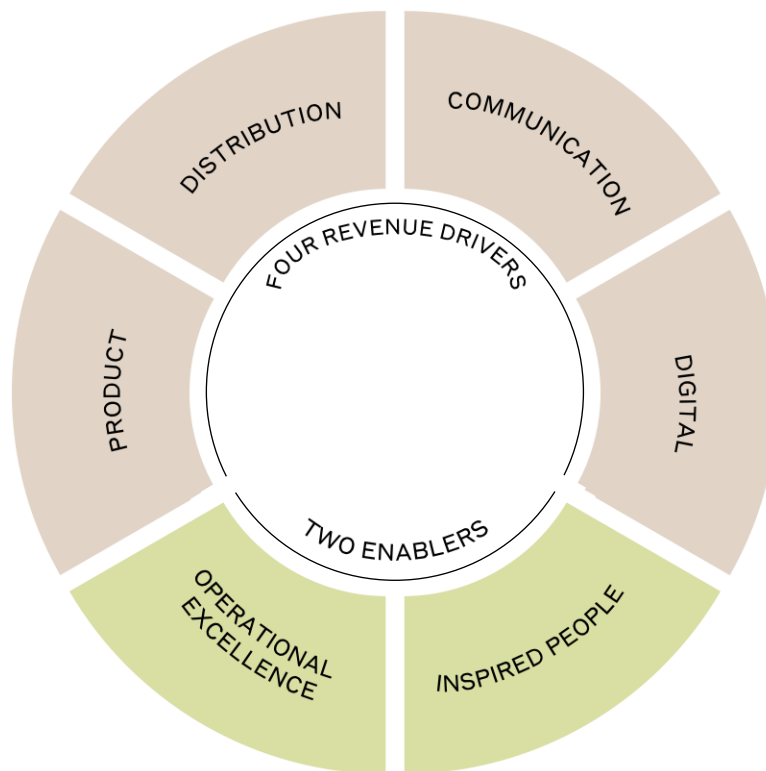
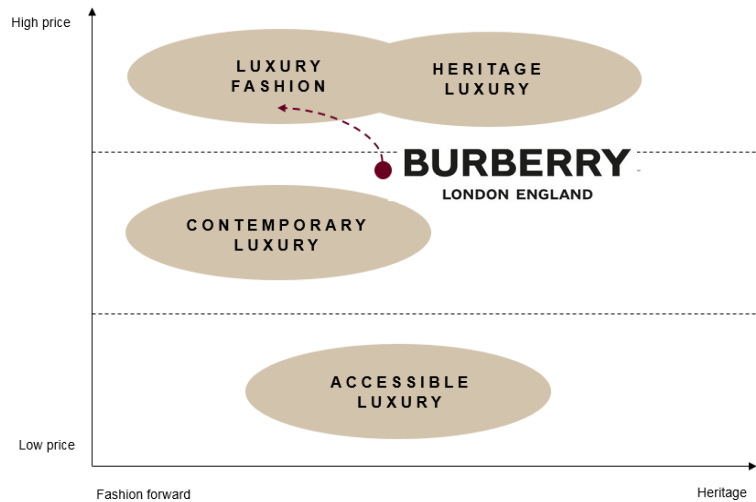
\*Footprint as of 2 July 2022 Burberry also has 38 franchise stores; 8 Asia Pacific and 30 EMEIA

# 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.



## THREE PHASES TO ACHIEVE OUR VISION

SET THE FOUNDATION FY18-FY20	STRENGTHEN FOUNDATIONS FY20-FY21 – COVID-19	ACCELERATE & GROW FY22 AND BEYOND
<b>BUILD THE FOUNDATIONS</b> <ul style="list-style-type: none"> <li>• Repositioned to luxury</li> <li>• Transformed product offer</li> <li>• Reset distribution to luxury</li> <li>• Stable revenue and profit</li> </ul>	<b>STRENGTHEN FOUNDATIONS</b> <ul style="list-style-type: none"> <li>• Orientate the business to full price</li> <li>• AUR increase</li> <li>• Gross margin improvement</li> <li>• Operating efficiency &amp; margin</li> </ul>	<b>GROWTH ACCELERATION</b> <ul style="list-style-type: none"> <li>• Continue to strengthen the brand</li> <li>• Accelerate revenue growth</li> <li>• Meaningful margin accretion</li> <li>• Deliver positive change with environmental and social responsibility at our core</li> </ul>

## THE NEXT CHAPTER: GROWTH ACCELERATION

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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 MANAGEMENT

## ENABLERS OF OUR STRATEGY

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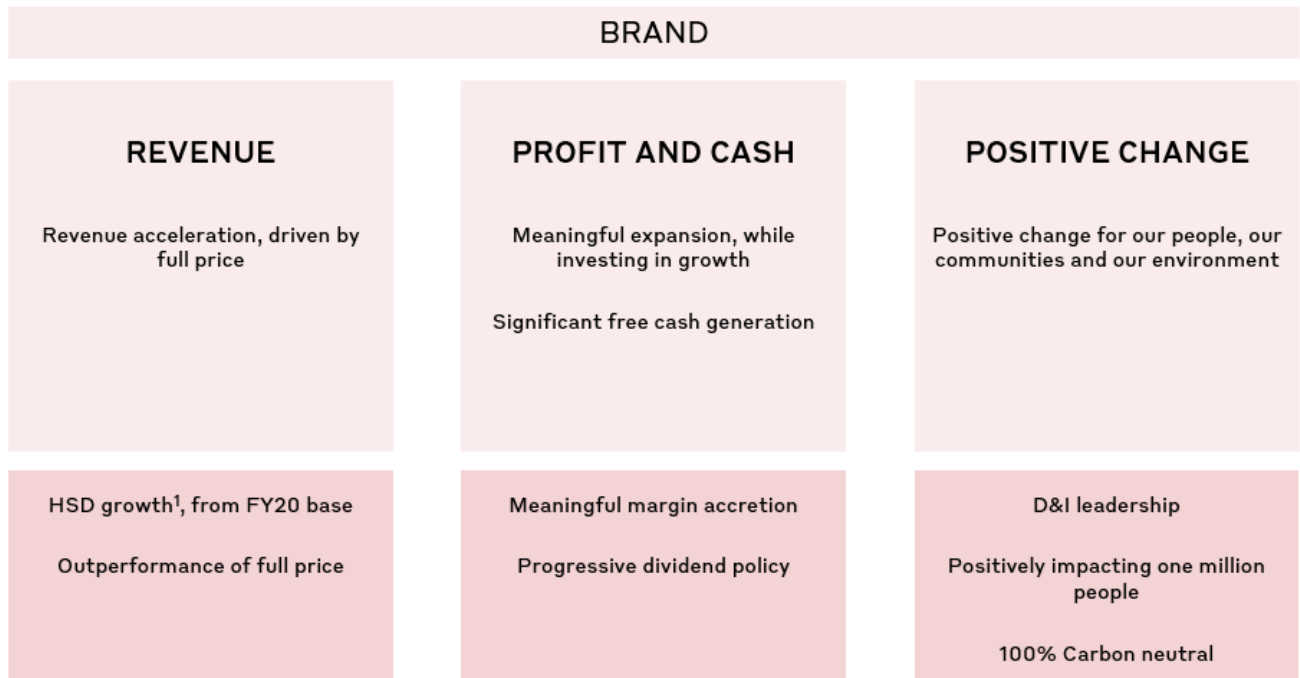
AGILE SUPPLY CHAIN DELIVERING EXCEPTIONAL QUALITY AND SERVICE

SECURE, INTEGRATED AND CONSUMER-LED TECHNOLOGY

WORLD-CLASS TALENT

OPERATIONAL EFFICIENCY

## MEDIUM-TERM TARGETS

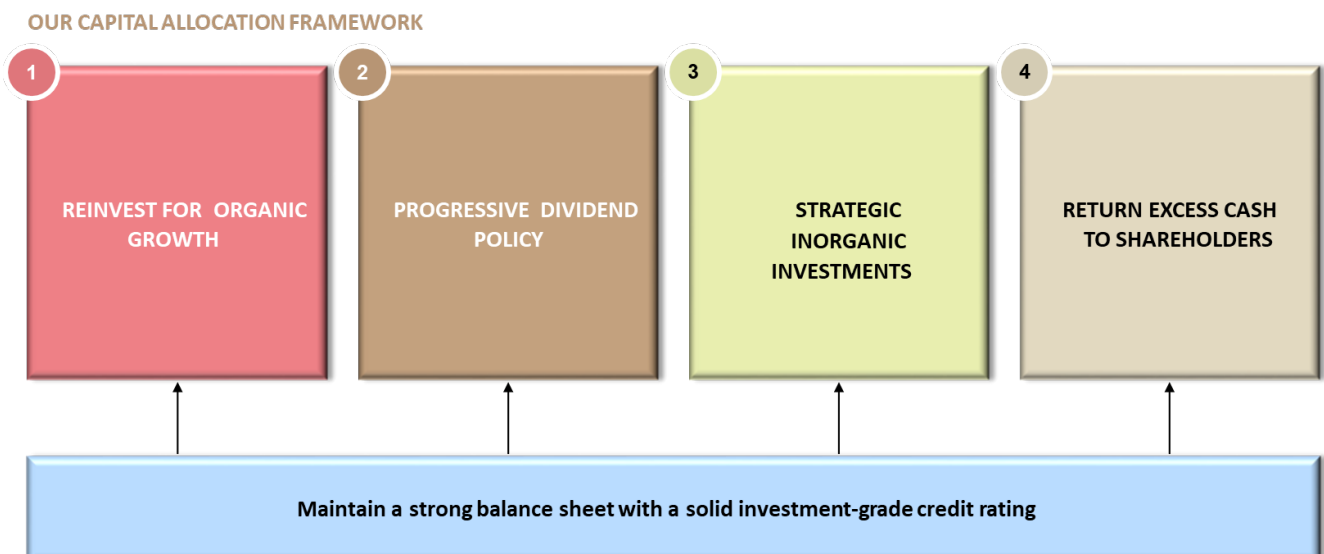


1 Medium term CAGR from FY20 base; CER.

## 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 50% pay-out ratio.



## ESG | 2017-2022 GOALS SUBSTANTIALLY MET

<b>COMPANY</b>	Carbon neutral in own operations globally	100% of electricity from renewable sources	Zero operational waste to landfill across key sites
<b>PRODUCT</b>	99% of products with >1 social or environmental benefit, 84% with 3 or more	100% of cotton sourced more sustainably	92% of leather from certified tanneries
<b>COMMUNITY</b>	1.2m people positively impacted through Burberry Foundation and co. philanthropy	>650k young people positively impacted globally	>560k people positively impacted in FY21/22 alone

### RECOGNITION

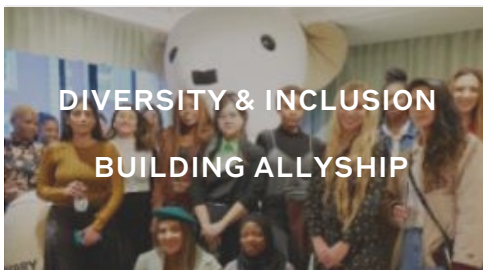


## ESG | WE HAVE SET NEW AMBITIONS TO DRIVE POSITIVE CHANGE

### AREAS OF FOCUS



- SBTi approved target to reach net zero emissions by 2040, first in our sector
- Biodiversity strategy applying a nature-based approach in our value chain
- 100% sustainable and traceable key raw materials by 2025



- Company-wide allyship training
- Continued enhancement of colleague experience, including steps to support our ambition to be the best place for women to work in our industry
- Global bereavement policy, including for colleagues impacted by pregnancy loss

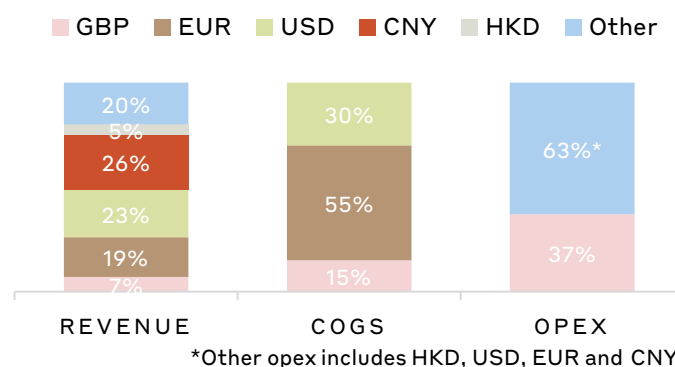


- Support for communities in need (COVID-19 relief, Ukraine crisis)
- Renewed focus on championing young people
- Underpinned by The Burberry Foundation

## FOREIGN EXCHANGE

Exchange rates	Forecast effective exchange rates		Actual effective exchange rates	
	11 July 22	FY22	FY21	
£1=				
Euro	1.18	1.18	1.12	
US Dollar	1.20	1.36	1.30	
Chinese Yuan	8.03	8.73	8.85	
Hong Kong Dollar	9.45	10.63	10.08	
Korean Won	1,557	1,596	1,514	

### SIMPLIFIED VIEW OF BURBERRY'S FX EXPOSURES IN FY22



In FY22, a +/-5% move in GBP would have resulted in a +/-£50m impact on adjusted operating profit

## CEO and CO&FO



Prior to joining Burberry on 15 March 2022, Jonathan was Chief Executive of Gianni Versace SpA where he reorganised and accelerated growth at the Italian fashion house, building on the brand's rich heritage to elevate product, communications and the customer experience. As President and Chief Executive Officer of Alexander McQueen (2004-2016) he led a turnaround of the British luxury brand, successfully steering the company's growth and strategic development into a luxury powerhouse. Jonathan's early career was spent at Harrods (1988-2004) where he gained a strong understanding of luxury retail, brands and products.



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 a Non-Executive Director and Audit Chair of Roche Holding Limited. She is co-Chair of The Prince's Accounting for Sustainability Project's CFO Leadership Network and Patron of Oxford University Women in Business. Julie is also a member of the UK Prime Minister's Council and the Mayor of London's Business Advisory Board. She is a Fellow of the Institute of Chartered Accountancy and the Institute of Tax, after qualifying with KPMG

## CONTACT

Julian Easthope  
VP, Investor Relations  
[julian.easthope@burberry.com](mailto:julian.easthope@burberry.com)

Lauren Wu Leng  
Director, Investor Relations  
[lauren.wuleng@burberry.com](mailto:lauren.wuleng@burberry.com)

Sophie Parker  
Investor Relations Coordinator  
[sophie.parker@burberry.com](mailto:sophie.parker@burberry.com)

[www.burberryplc.com](http://www.burberryplc.com) [investor.relations@burberry.com](mailto:investor.relations@burberry.com) +44 (0)20 33673524

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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 17 of the Preliminary Announcement 2022
- Certain financial data within this presentation have been rounded.