
BY APPOINTMENT TO
HIS MAJESTY KING CHARLES III
OUTFITTERS
BURBERRY LIMITED LONDON
BURBERRY
Annual Report 2024/25

For 169 years, Burberry has pioneered clothing that protects people from the elements. From outfitting polar explorers to inspiring people to embrace the outdoors, we create outerwear that affords the wearer freedom, function and protection in style, whatever the weather.

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For further information, visit Burberryplc.com

WE ARE SETTING BURBERRY ON THE PATH TO SUSTAINABLE, PROFITABLE GROWTH

Dear Shareholder,

This has been a particularly difficult year for Burberry. Our creative transition launched in 2023 struggled to gain traction with our customers against a backdrop of macroeconomic uncertainty and in a luxury market which proved more challenging than anticipated, resulting in a first-half loss and the suspension of dividend payments from FY 2024/25.

As a Board, we took decisive action to change course and stabilise the business for a return to sustainable, profitable growth, aimed at delivering an improvement in our second half.

In July we appointed Joshua Schulman as Chief Executive Officer (CEO), replacing Jonathan Akeroyd who stepped down and left the Company by mutual agreement with the Board. Josh is a proven leader with an outstanding record of building global luxury brands and driving profitable growth. He already had a strong understanding of our brand and his extensive experience in luxury and fashion will be key to realising Burberry's full potential.

As you can read in his letter which follows, Josh sets out his and the Board's analysis of Burberry's recent underperformance and his Burberry Forward transformation plan to reignite brand desire, improve performance and drive long-term value creation, placing the customer at the centre of everything we do.

Shareholder returns

In the context of the ongoing challenging macroeconomic environment, the Board is focusing on strengthening our competitive position and our balance sheet to underpin long-term growth. As mentioned, in July 2024 we took the decision to suspend dividend payments in respect of FY 2024/25. In line with our Capital Allocation Framework, this prudent approach will support the business as we execute our Burberry Forward transformation. Whilst our priority is to reinvest in the business, our intention is to return to our progressive dividend policy as soon as possible.

The Board welcomes discussions with shareholders and Directors have held several meetings during the financial year on a variety of topics including strategy, dividends, Board composition, executive remuneration and environmental and social matters; see page 111 for more information.

Board changes

In addition to the appointment of a new CEO, the non-executive composition of our Board has continued to evolve. In December 2024, we announced the appointment of Stella King as an independent Non-Executive Director. Stella, who joined the Board on 1 April 2025, has a wealth of luxury industry experience and a profound understanding of Asian luxury consumers thanks to more than 30 years' experience working within the Asia Pacific region. Further information on Board recruitment and the induction processes for Josh and Stella is provided in the Nomination Committee Report on pages 123 to 127.

Debra Lee stepped down from the Board at our 2024 AGM last July and we have announced that Fabiola Arredondo, Antoine de Saint-Affrique and Sam Fischer will retire as Non-Executive Directors following the 2025 AGM. Each of Debra, Fabiola, Sam and Antoine has played an important role in Burberry's journey and on behalf of the Board, I thank them for their contributions and service to our Company.

Sustainable business

Sustainability continues to be an important area of focus and the Board has continued to monitor progress against our Burberry Beyond commitments. Our heritage is deeply connected to the outdoors, and we remain committed to delivering on our goals, strengthening Burberry's resilience, lowering our environmental impacts and supporting our people and our communities.
In this spirit, we continued to expand our Burberry Inspire flagship programme through The Burberry Foundation, working in partnership with youth-focused organisations to support young people and create a positive impact at both a global and local level.

Looking ahead

We are in the early stages of a business transformation and navigating the current global uncertainty has been made even more challenging by policy decisions that have impacted our sales and increased operating costs in the UK. Burberry Forward requires a step-change in our global cost base to ensure that Burberry is competitive and fit for the future. Regrettably, this change could impact around 1,700 jobs across Burberry, around half in the UK. The Board and I are confident that under Josh's leadership, Burberry Forward will set the business on the path to sustainable, profitable growth. We have seen a significant improvement in brand sentiment in the second half and encouraging resilience in our core scarf and outerwear categories.

With a much clearer and shared vision for the future, we will continue to write the next chapter of Burberry's storied history, one that is built on our strengths and celebrates our heritage. Like Josh, the Board is convinced that Burberry's best days lie ahead.

Our transformation journey would not be possible without the passion and commitment of our people, who have demonstrated again their ability to evolve and adapt during the past 12 challenging months. I would like to take this opportunity to thank them, as well as our Board, our customers and our shareholders for their continued support.

Gerry Murphy
Chair

"With our shared vision, we will continue to build the next chapter in Burberry's storied history, one that leverages our strengths and celebrates our heritage while looking ahead to the future."

WE HAVE THE MOST OPPORTUNITY WHERE WE HAVE THE MOST AUTHENTICITY

Dear Shareholder,

I am deeply honoured to be writing to you as Burberry's Chief Executive Officer.

I joined Burberry at a very challenging time for our business. We had moved too far, too fast, with disappointing results. Our brand expression was too modern at the expense of celebrating our heritage. We introduced unfamiliar brand codes to our customers. We prioritised niche, seasonal fashion, obscuring our timeless core collections. As we pursued brand elevation, we took pricing too high. This resulted in significant financial underperformance.

Yet my first months have reaffirmed my belief that Burberry is an extraordinary luxury brand. Quintessentially British, equal parts heritage and innovation. We are the only luxury brand founded on the principle that clothing should protect people from the weather. This has never been more relevant than today.

It is clear to me that Burberry has the most opportunity where we have the most authenticity. We are already rekindling the unique creative and commercial alchemy that defined Burberry at its best. While it is still early in our turnaround, I am more optimistic than ever that Burberry's best days are ahead.

FY 2024/25 performance

After a disappointing first half, we have moved with urgency to course correct, stabilise the business and position Burberry for a return to sustainable, profitable growth. For FY 2024/25:

- Revenue was £2,461 million, a reduction of 15% at constant exchange rates
- Adjusted operating profit was £26 million, a reduction of 88% at constant exchange rates
- Reported operating loss was £3 million, a reduction of 101%
- Adjusted diluted earnings per share (EPS) was a loss per share of 14.8 pence, a reduction of 107% at constant exchange rates
- Reported diluted EPS was a loss per share of 20.9 pence, a reduction of 128%

Burberry Forward

In November, we set out Burberry Forward, our strategic plan to reignite brand desire, improve our performance and drive long-term value creation.

We have made immediate interventions to reset brand storytelling, enhance visual merchandising in stores and online and to align our product focus to our core categories. These actions have resulted in a significant improvement in comparable retail sales in the second half of the year relative to the first half.

We shifted to a Timeless British Luxury brand expression with campaigns including 'It's Always Burberry Weather' and 'Wrapped in Burberry', which delivered the strongest improvement we have seen in brand desirability in three years.

We have taken decisive action to reassert our authority in core categories such as outerwear and scarves. Our iconic products now take centre stage in our stores. We are seeing early success with styles that carry our beloved brand codes, including the Burberry Check. And, we have aligned our pricing with our category authority. These changes have had a positive response from our customers which gives us confidence in the path ahead.

At the heart of Burberry Forward is our commitment to restoring a culture of creative and commercial alchemy rigorously focused on our customer. To ensure our organisation is fit for purpose in a demanding and dynamic global market, we have proposed changes aimed at enhancing collaboration, increasing our agility and aligning our cost base to our size. This will drive efficiency and profitability, while protecting our investment in consumer-facing areas. We expect the proposed changes to unlock an additional £60 million of savings by FY 2026/27, while enabling us to continue to fund our biggest growth opportunities. This is incremental to our previously announced £40 million cost-savings programme, bringing the combined annualised savings to £100 million by FY 2026/27.

Looking ahead

We are still in the early stages of our turnaround in a challenging macroeconomic environment. Our focus is on accelerating the early progress we have made in reigniting brand desire, as a requisite for topline growth.

We are confident we can get back to generating £3 billion in annual revenue over time, while rebuilding margins and driving strong cash generation.

For 169 years, Burberry has embraced innovation and exploration. I would like to thank my colleagues around the world for their efforts to reignite brand desire and deliver our turnaround. Our brand has been resilient and enduring in all kinds of weather. We are committed to seizing the opportunities that lie ahead.

Joshua Schulman
Chief Executive Officer

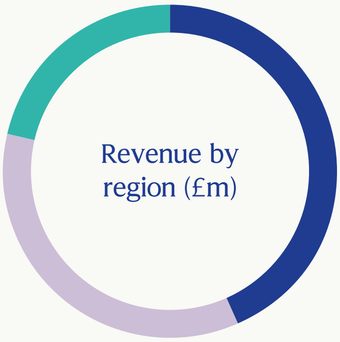
“While we are still early in our transformation, I am more optimistic than ever that Burberry’s best days are ahead.”

FY 2024/25 HIGHLIGHTS

Total revenue

£2,461m

(FY 2023/24: £2,968m)



	2024/25 £m	2023/24 £m
Asia Pacific 237 stores	**1,043**	1,286
EMEIA 100 stores	**842**	1,017
Americas 85 stores	**510**	603

	2024/25 £m	2023/24 £m
Retail	**2,076**	2,400
Wholesale	**319**	506
Licensing	**66**	62

	2024/25 £m	2023/24 £m
Accessories	**841**	1,055
Womenswear	**718**	860
Menswear	**732**	842
Childrenswear and other	**104**	149

Adjusted operating profit

£26m

(2023/24: £418m)

Operating (loss)/profit

£(3)m

(2023/24: £418m)

Adjusted diluted EPS

(14.8)p

(2023/24: 73.9p)

Diluted EPS

(20.9)p

(2023/24: 73.9p)

Cash (net of overdrafts)*

£708m

(2023/24: £362m)

51.2%

Reduction in Scope 3 emissions from a FY 2018/19 base year

84%^

Key raw materials in our products certified or responsibly sourced in FY 2024/25 (as defined in our Sustainable Raw Materials Portfolio)

273,435

People positively impacted in FY 2024/25 through community programmes supported by Burberry Group plc and The Burberry Foundation

* The Group also had borrowings at 29 March 2025 of £738m (30 March 2024: £299m).

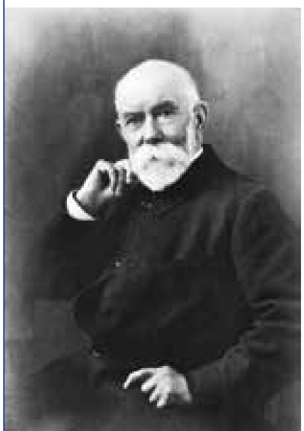
^ This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

OUR HERITAGE OF INNOVATION

Steeped in British culture, our heritage reflects our belief that clothing should protect people from the weather. As a luxury brand, we are driven to deliver innovation through products that are authentic to our roots and inspiring for our customers.

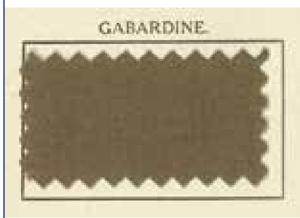
1856

Aged just 21, Thomas Burberry establishes Burberry in Basingstoke, England. The company was founded on the principle that clothing should protect people from the weather.



1879

Thomas invents gabardine, a lightweight, breathable, weatherproof and tearproof cloth. Its genius lies in small pockets of air which allow for ventilation. The textile innovation marks a milestone in Burberry's creative legacy.



c. 1901

The Equestrian Knight Design (EKD) is crowd-sourced from a public competition to create a new logo for the brand. Imbued with symbolism, it represents protection, innovation and Burberry's forward-looking spirit. The banner reads 'Prorsum' which translates from Latin to 'Forwards', signalling the Company's direction of travel.

1911

Equipped with a Burberry gabardine tent and clothing, Norwegian Explorer Roald Amundsen and his team become the first people to reach the South Pole.

1912

Invented by Thomas Burberry, the Tielocken coat is patented. The predecessor to the trench coat, it proves popular among officers during World War I. The coat closes with a strap and buckle fastening and features a single button at the collar.

1914–1918

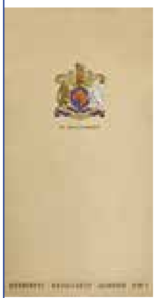
Thomas Burberry creates the Burberry trench coat with a design born from function to protect military personnel during World War I. Each detail serves a purpose, its epaulettes originally displayed an officer's rank, while its D-rings were used to attach equipment. These features of a Burberry trench remain today.

1914–17

Acclaimed Anglo-Irish explorer Sir Ernest Shackleton wears Burberry gabardine for three expeditions in the early 20th century, including the mission to cross the South Pole on board The Endurance.

1919

HM King George V grants Burberry its first Royal Warrant as a Tailor.



1920s

The Burberry Check, now registered as a trademark, is introduced as a trench coat lining.

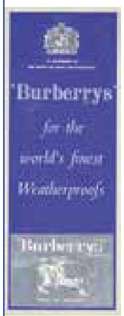
Instantly recognisable all over the world, the Burberry Check is one of our iconic brand codes.

1937

Burberry sponsors a record-breaking flight from Croydon to Cape Town in an aeroplane called 'The Burberry'. Both aviators, Flying Officer Arthur Clouston and Betty Kirby-Green, wear Burberry.

Mid 1950s

'It's Always Burberry Weather' is used in the UK. The slogan was often accompanied with satirical 19th century images depicting a range of weather conditions.



1955

HM Queen Elizabeth II grants Burberry a Royal Warrant as a Weatherproofer.

1964

Burberry becomes the official outerwear supplier for the British women's Olympic team participating in the Tokyo Olympics.

1967

A buyer in Burberry's Paris store has a flash of inspiration while preparing a fashion presentation for the British ambassador, Sir Patrick Reilly. She removes the Burberry Check lining from a coat and uses it to wrap luggage and create an umbrella cover. The Burberry Check accessory is born.

From being a proud holder of a Royal Warrant, to harnessing virtual reality technology and transforming coffee cups into high-end packaging, Burberry's unique take on the luxury fashion experience sets it apart from its peers.

1972

Burberry acquires a factory in Castleford, Yorkshire, where it continues to make Heritage Trench Coats today.

1990

Burberry is granted a Royal Warrant as an Outfitter by the then Prince of Wales.

1999

The Company changes its name from Burberrys to Burberry.

Burberrys of London

BURBERRY

2000

Burberry opens its first Bond Street, London, store.

2002

Following an initial public offering, Burberry is listed on the London Stock Exchange in July.

2004

Burberry launches its first transactional website, serving customers in the USA.

2008

The Burberry Foundation is established as a charitable trust, dedicated to helping young people realise their potential through the power of creativity. Burberry donates a percentage of annual group profit before tax to charitable causes.

2010

Burberry is the first luxury brand to live stream its Autumn/Winter 2010 show online, bringing its collection into the homes of millions of people around the world.

2011

Burberry is the first luxury brand to create an Instagram account to inspire customers with engaging, beautiful and creative digital content.

Burberry launches the expansion of its e-commerce website, Burberry.com, to serve 44 countries, in 13 languages. Burberry is the first luxury brand to enable its customers around the world to interact with and shop its products online.

2018

Burberry opens a centre of excellence for leather goods in Scandicci, Italy.

The Burberry Foundation launches Burberry Inspire, a youth engagement programme designed to empower young people in Yorkshire through creativity.

2020

During the COVID-19 pandemic, Burberry retools its factory in Castleford, England, to make Personal Protective Equipment (PPE) for the British National Health Service (NHS). Burberry leverages its global supply chain to manufacture and source more than 160,000 pieces of PPE, which are donated to the NHS and healthcare charities.

2023

Burberry evolves its creative expression for the brand, introducing a new wordmark and a refreshed version of the EKD.

Burberry celebrates its heritage with the launch of a new book, 'Burberry'. The richly illustrated volume is filled with material from the Burberry archive as well as additional sources.

2024

Burberry is granted a Royal Warrant as an Outfitter by HM King Charles III.

2025

Burberry announces its partnership with the Victoria and Albert Museum (V&A). The multi-year collaboration will see the Fashion Gallery redeveloped. It will be renamed The Burberry Gallery upon reopening in spring 2027.

BURBERRY FORWARD

In November 2024, we announced Burberry Forward, our strategic plan to reignite brand desire, improve performance and drive long-term value creation.

"We have the most opportunity where we have the most authenticity."

In this next phase, our focus is on reconnecting our brand with its founding principle, which is to design clothing to protect people from the weather. We are leaning into our heritage and leveraging our strengths with a disciplined approach, as we believe we have the most opportunity where we have the most authenticity. As part of this, we are evolving our brand expression and product offer to appeal to a broad base of luxury customers.

Our refreshed strategy outlines a clear path forward, placing the customer at the centre of everything we do. It focuses on four pillars to drive our transformation.

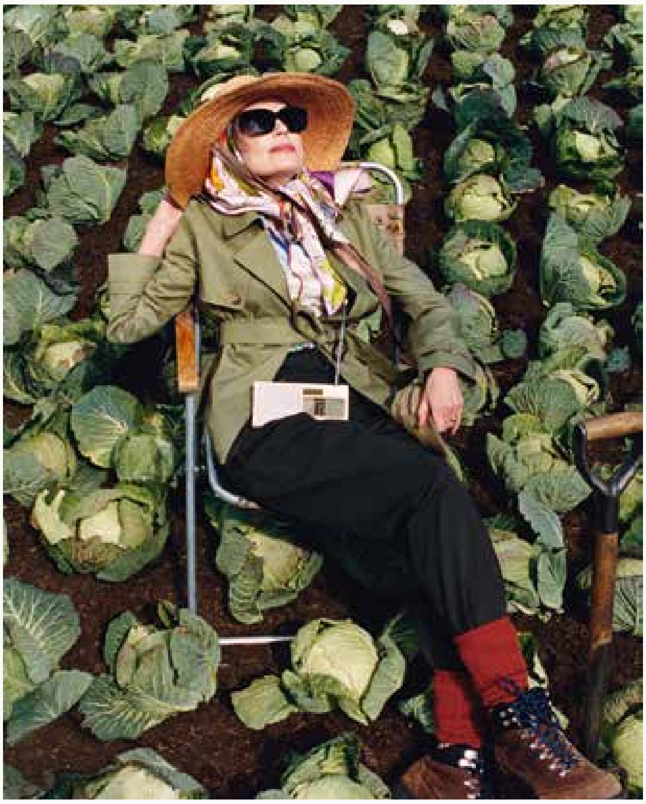
Place the customer at the centre of everything we do

1. BRAND: TIMELESS BRITISH LUXURY
2. PRODUCT: LEAD WITH OUTERWEAR
3. DISTRIBUTION: ALIGN DISTRIBUTION WITH PRODUCT AND CUSTOMER STRATEGY
4. PEOPLE: REIGNITE A HIGH-PERFORMANCE CULTURE

1

BRAND: TIMELESS BRITISH LUXURY

Since 1856, Burberry has created practical and stylish solutions for our customers. Today, staying true to our British roots, we are juxtaposing heritage and innovation to reignite brand desire.



We are pivoting to Timeless British Luxury. We celebrate Britishness in a way that our customers easily understand, using culturally relevant talent and storytelling that reflects British wit and style. Our imagery features iconic London landmarks and the British countryside, making our brand instantly recognisable.

We balance our seasonal fashion messages with campaigns focused on our category authority, such as our 'It's Always Burberry Weather' campaign, which celebrates our longstanding heritage in outerwear.

We celebrate our iconic brand signifiers, including our Burberry Check and Equestrian Knight Design (EKD), with disciplined use of our heritage brand codes allowing us to strengthen our brand identity.

2

PRODUCT: LEAD WITH OUTERWEAR

As the only luxury brand founded on the principle that clothing should protect people from the weather, we are building on our outerwear authority and heroing our iconic scarves.

Our Product strategy is anchored in the principle that we have the most opportunity where we have the most authenticity.

Today, we are leaning into our unique strengths, by leading with our core category, outerwear, and strengthening our soft accessories.

We aim to earn authority in complementary categories. Ready-to-wear is a natural extension of our core offering alongside leather goods and shoes to complement the assortment. We are sharpening our childrenswear offer.

We align our pricing with our category authority, restoring a good, better, best pricing architecture in a luxury context.

We focus on clear and consistent branding, celebrating our iconic Burberry Check and other brand signifiers in both subtle and overt ways across our products. We balance our assortment with our seasonal buy, focusing on key styles.

3

DISTRIBUTION: ALIGN DISTRIBUTION WITH PRODUCT AND CUSTOMER STRATEGY

We are embracing a customer-centred approach across channels, while striking the right balance between prominence, productivity and profitability.

We align our distribution with our Product and Customer strategy, and are focused on striking the right balance between prominence, productivity and profitability across all channels.

We place the customer at the centre of everything we do. In stores, we demonstrate our category authority by amplifying our iconic outerwear and scarves and increasing product density on the shop floor. We will roll out Scarf Bars and Trench Destinations across our store network to build demand for these categories.

On Burberry.com we reflect our category focus through a commercially relevant product assortment and styling that appeals to our luxury customers. We are also improving functionality to create an inspiring and customer-friendly online shopping experience.

We optimise our presence in key wholesale doors, continuing to focus on strategic accounts that align with our long-term vision. At the same time, we see opportunities to strengthen our position with key luxury retail and e-commerce partners, as well as in global travel retail.

4

PEOPLE: REIGNITE A HIGH-PERFORMANCE CULTURE

We are enabling our colleagues to deliver Burberry Forward by enhancing cross-functional collaboration and rekindling creative and commercial alchemy.

To reignite a high-performance culture across the business, we are focused on organising for growth, improving executional discipline and fostering greater team accountability.

To ensure we are effectively tracking our progress, we are reviewing our reporting mechanisms and metrics to leverage data-driven decision-making.

We continue to uphold our commitment to sustainability, which is a fundamental part of who we are and is a key consideration for our colleagues, customers and stakeholders.

OUR BUSINESS MODEL

The respect we hold for our unique heritage is equalled by our desire to innovate and create beautiful products relevant to today's luxury customer.

Our founding principle is inspired by the weather

Burberry was founded on the principle that clothing should protect people from the weather. The original performance material, gabardine was invented by Thomas Burberry in 1879. The breathable weatherproof fabric revolutionised outerwear and opened spaces for wearers to explore the outdoors by providing warmth and protection from the elements.

For 169 years, Burberry has championed British craft and production. We proudly uphold that legacy today by preserving traditional craftsmanship while driving innovation in all areas of our business.

Source

We seek to use responsibly sourced materials of the highest quality to make long-lasting products. When making business decisions, we consider environmental impacts and the wellbeing of people in our supply chain.

Design

We create beautiful products inspired by our brand heritage and elevated by our instantly recognisable brand signifiers. Based in our London headquarters, our Design, Product and Merchandising teams work together to ensure our products delight and inspire our customers.

Our business model is rooted in innovation and our British heritage

Make

We weave gabardine and craft our iconic Heritage Trench Coats at our mill and factory in Yorkshire, UK. Our classic Burberry Check cashmere scarves are made in Scotland by our long-term partner Johnstons of Elgin. We operate wholly owned leather goods and technical outerwear centres of excellence in Italy and work with a network of global suppliers.

Sell

We sell products through directly operated stores, concessions and wholesale partners globally, as well as via Burberry.com. We provide exceptional customer service and ensure a seamless experience across in-store and online channels. For some products, including eyewear and beauty, we work with licensing partners to benefit from their product and distribution expertise.

Purpose and values

Inspired by the principles of our founder, our purpose and values guide how we operate as a business. Our purpose, Creativity Opens Spaces, is supported by four values, which we uphold every day. We are creatively driven, forward thinking, open and caring, and proud of our heritage.

We nurture creativity within our business and our people

We foster talent and creativity in a purpose-driven environment. Our people's diversity of skills, backgrounds and life experiences help drive innovation within our business. We are proud that our colleagues represent 129 nationalities across 32 countries and territories.

We strive to deliver long-term sustainable value for all stakeholders

Customers

Our customers are at the heart of everything we do. We build and reinforce connections with our customers through desirable products and our iconic brand signifiers. We create unique experiences to provide exciting opportunities for customers to engage with our brand.

Shareholders

We aim to create sustainable long-term value for our shareholders. We allocate capital by reinvesting for organic growth and, subject to there being further capital available, we allocate it to dividends, strategic inorganic investments and additional returns to shareholders. For more information see our Capital Allocation Framework on page 36.

People

Our people are our greatest asset, and we endeavour to provide a rich and rewarding colleague experience. We aim to create workplaces where our people can grow, express their creativity and foster a sense of belonging. We also seek to protect and enhance the livelihoods of people in our supply chain, while respecting and upholding human rights.

Communities

We support local communities where we operate, with a particular focus on driving positive change in the lives of young people through the work of The Burberry Foundation. Our global youth empowerment programme, Burberry Inspire, works in partnership with local organisations to create opportunities for young people.

Environment

We are dedicated to being a responsible business and working to reduce our impact on the environment. This includes managing climate and nature-related risks to ensure the long-term success and resilience of our business.

Governments

We engage with governments on a range of topics, including environmental, social, economic and governance issues. We work with governments to seek solutions to mutual concerns and to be a positive force wherever we do business.

Partners

We work collaboratively with our partners, which include suppliers, retail third parties, non-governmental organisations (NGOs) and civil society groups, to explore shared opportunities for development and innovation, and to drive social and environmental improvements for our communities.

THE GLOBAL LUXURY MARKET IN 2024

Burberry operates in the global personal luxury market, with a presence across more than 140 countries and territories[1] worldwide. The following is an analysis of recent global market trends and performance for the calendar year ending 31 December 2024.

In 2024[2], the global personal luxury goods market experienced its first slowdown in nearly 15 years (excluding 2020's COVID-19-related decline)[3]. With an estimated total volume of €363 billion, the market declined by 1% at current exchange rates[4]. This performance fell short of industry forecasts, which were revised downward through the year.

Overall, the market was driven by strong tourism, with varying regional dynamics. However, key trends such as value for money purchases, shifting consumer preferences and continued price increases impacted the sector's overall performance, leading to profitability challenges for brands and suppliers.

Key trends

Strong tourism

Tourist spending increased by 8% and accounted for around 35% of the market. Middle Eastern and American tourists gained share, travelling particularly to Europe, where tourism surpassed pre-pandemic levels. In Europe, sales generated by American tourists achieved three times their pre-COVID-19 levels, while Chinese tourist turnover grew by double digits, recovering to two-thirds of pre-COVID-19 levels. The UK was a less attractive destination for luxury shoppers due to the withdrawal of tax-free shopping and a strong British pound. Japan benefited from strong tourism, particularly in the first half of 2024, before prices were aligned to a weakening yen. Compared to Europe, Japan attracted more aspirational customers, with fewer transactions and a smaller average spend and was largely driven by Chinese visitors. Chinese tourism is expected to grow further as pressures in the local market drive consumers abroad.

Value for money

Customers increasingly shifted their spending from luxury items to value-oriented purchases, often down-trading to non-luxury brands. This trend led to declines in the full-price channel, both in stores and online. Conversely, value-focused channels, such as outlets, performed strongly, solidifying their role as key entry points into the luxury market. Demand for second-hand items surged, almost doubling in size compared to 2019, particularly for hard luxury categories, including watches and jewellery. As customers continue to focus on value, the market has become increasingly competitive, with growing pressure from non-luxury brands and second-hand platforms.

Shrinking yet elevated customer base

In 2024, the luxury customer base contracted for the first time, losing approximately 50 million customers compared to 2022. This decline was driven by aspirational customers and Gen Z customers shifting toward value-oriented purchases due to sustained high prices, particularly in Western markets and Japan. As a result, older generations such as Baby Boomers and Gen X, gained share alongside top customers, who accounted for approximately 45% of the market value. In response, brands are seeking to re-engage lost customers, particularly among younger demographics, by adding intrinsic value to products across all price ranges, strengthening the connection to their brands' DNA and offering personalisation.

Profitability challenges

Continued price increases in the luxury market, averaging 2% and following significant price elevation in the previous year, have discouraged traffic and led to a decline in demand, particularly in soft luxury categories, such as shoes and leather goods, as well as watches. This decline in volumes has resulted in margin and cost pressures for both brands and suppliers, necessitating effective supply chain management.

Product categories

In 2024, all soft luxury product categories declined. Shoes experienced the sharpest decrease, declining by 6%. Demand within the category was hampered by continued price elevation and increasing competition from sports and outdoor brands. Leather goods declined by 3%. While top customers and timeless pieces sustained the category, customers were more selective in their purchases. Small leather goods performed well among Gen Z shoppers, with sales bolstered by rising demand for hyper-personalisation. Sales of apparel, the most resilient category (aside from beauty, eyewear and jewellery), came in flat. This performance was supported by top-price items and a shift toward minimalist, understated designs.

1. Refers to the number of countries and territories in which Burberry has a store presence or ships to directly and via partners.
2. Since the end of 2024, the luxury market has faced even greater uncertainty, driven by evolving geopolitical dynamics and ongoing economic headwinds.
3. Refers to the COVID-19-related market decline in 2020, when volume decreased from an estimated €284 billion to €223 billion. Excluding this downturn, 2024 marked the first slowdown since 2009.
4. All growth rates are at current exchange and refer to 2024 compared to 2023, unless stated otherwise.

Channels

Across the luxury market, monobrand stores reported a decline of between 1% and 4%, with a notable drop in traffic and volumes, which was partially offset by improved store conversion rates. Outlet channel sales grew by between 1% and 5% due to consumers' growing preference for purchases which they perceive as delivering value for money. Online channels saw a decline of between 1% and 4%, however, this reflected a rebalancing trend following swings caused by the COVID-19 pandemic. Wholesale also declined by between 2% and 4%, while travel retail recorded solid growth of 1% to 5% thanks to an acceleration in tourism and the strong performance of beauty and eyewear.

Regions

Asia

Mainland China's luxury market contracted by 20% in 2024, driven by macroeconomic challenges which dampened domestic spending, and a lag in the impact of stimulus measures. Japan was the best-performing country in the region, growing by 11% in the year. This can be attributed to a strong increase in tourism and a favourable yen exchange rate, particularly in the first half of 2024. Growth in the rest of Asia was modest: South Korea benefited from increased tourism, while local consumption remained weak. Hong Kong S.A.R., China, Macau S.A.R., China, and other Southeast Asian markets suffered from a lack of Chinese customers and limited intra-regional tourism.

Americas

The luxury market in the Americas was flat following a decline in 2023. The USA delivered sequential improvement through 2024, with green shoots emerging despite fluctuating consumer confidence. The market's performance was supported by top-tier luxury shoppers, as aspirational customers focused their spending on value-oriented purchases. Foot traffic in key cities slowed down, while travel, especially to Europe, increased. Outside of the USA, Canada was negatively impacted by an ongoing slowdown in tourism from Mainland China, while Latin America reported growth, driven by increased tourism to Mexico.

Europe (including the UK) and the Middle East

Europe's luxury market grew by 3% compared to 2023, driven by international tourism, which surpassed pre-pandemic levels. This was largely supported by Middle Eastern, American, and Mainland Chinese visitors, although the latter have yet to fully return to pre-COVID-19 spending levels. Holiday destinations such as Italy and Spain benefited most, while Central Europe and the UK faced challenges due to limited numbers of luxury-oriented tourists. The picture varied across the Middle East, with more mature markets, including the United Arab Emirates, maintaining robust growth and other areas experiencing demand normalisation.

Source: Bain-Altagamma Luxury Goods Worldwide Market Study (23rd Edition).

BUSINESS UPDATE

The first half of FY 2024/25 was very challenging for our business. We had moved too quickly away from our core offer in a difficult luxury market. After a period of significant underperformance, in November, we introduced Burberry Forward, our strategic plan to reignite brand desire, improve our performance and drive long-term value. The following pages highlight the actions we have taken in the year across our key strategic pillars.

1 Brand: Timeless British Luxury

During FY 2024/25, we launched several campaigns and activations that brought our brand identity to life.

We unveiled a dedicated campaign for the Rocking Horse Bag in May 2024 featuring our brand ambassadors Bright, Jun Ji-Hyun and Tang Wei. We furthered our connection to the outdoors with our Winter 2024 campaign shot in the Lake District, England, which evoked a feeling of warmth and protection.

We also offered a glimpse into the craftsmanship and artisanal excellence behind our enduring house codes, our Heritage Trench, Car Coats and Burberry Check cashmere scarf through our 'Made in the UK' series.

In November, we introduced the Burberry Forward strategy by pivoting to Timeless British Luxury. Highlighting our British heritage and history of innovation alongside our beloved brand codes, our Timeless British Luxury brand expression allows us to capitalise on our strengths and communicate with customers in a consistent and meaningful way.

Given the lead times in our business, we were able to impact marketing first in advance of product and store experience. Among the first changes was to highlight our heritage as well as Britishness in our storytelling. As part of this, we placed greater emphasis on our iconic product and brand signifiers, including the Burberry Check, rather than less familiar brand codes which had been introduced in recent years.

Our 'It's Always Burberry Weather' campaign was the first activation that brought Timeless British Luxury to life. The campaign reintroduced a warmer spirit and uniquely British wit while celebrating our most iconic outerwear shapes, including the trench, the quilt, the aviator, the down puffer and the duffle on an all-star cast.

For the festive season, we released our 'Wrapped in Burberry' content series, featuring couples, friends and families from around the globe joyfully celebrating the holidays in Burberry. We also shared stories that captured Burberry's unique spirit with 'Burberry Portraits', a series showcasing customers and cultural icons, including Dame Joanna Lumley and Richard E. Grant, and their personal connections to our brand.

We followed this with 'London in Love', our Summer 2025 campaign and the second chapter of 'It's Always Burberry Weather', in February. The campaign highlighted our trench coat and the serendipity of getting caught in the London rain and falling in love.

Our Winter 2025 show represented the first fashion show fully conceived as part of the Timeless British Luxury brand expression. In contrast to the more modern venues of recent shows, we presented our Winter 2025 runway show at Tate Britain, continuing our longstanding commitment to British arts and culture. Inspired by the weekend exodus from London to the splendour of a British country house, the show featured a parade of iconic British outerwear silhouettes in luxurious fabrications and was met with a positive response by press and consumers. The collection will land in September 2025 and will be accompanied by a dedicated campaign.

FY 2025/26 priorities

- Deliver consistent brand storytelling with uniquely Burberry, uniquely British campaigns
- Leverage brand codes to deepen immersion in popular culture
- Strengthen cultural relevance through partnerships with Highgrove, the V&A and Tate Britain
- Reinforce category authority across campaigns and activations

IT'S ALWAYS BURBERRY WEATHER

Our 'It's Always Burberry Weather' campaign celebrates outerwear, showcasing a timeless narrative that is both recognisably Burberry and quintessentially British.

The campaign title draws from a slogan from our archives, which highlights the purpose and functionality of our clothes as protection against the unpredictable British weather. Set against a backdrop of the British countryside and iconic landmarks, the first phase of the campaign featured talent including Olivia Colman, Brand Ambassador Barry Keoghan and England footballer Eberechi Eze. It launched in October 2024 with an all-encompassing celebration, including cinematic vignettes, global pop-ups, window displays and in-store activations.

A second phase of the campaign, 'It's Always Burberry Weather: London in Love', launched in February 2025 and showcased our Summer 2025 collection, which was designed for the transition of the seasons and heroed our outerwear offer. The campaign was inspired by late 1990s and early 2000s British romantic comedies. Celebrating the everyday romances of ordinary Londoners, it featured talent including Richard E. Grant, Kate Winslet and Naomi Campbell.

2 Product: Lead with outerwear

We began the year with product weighted to seasonal fashion, with insufficient emphasis on our core outerwear categories and core customer segments. Since then, we have evolved our assortments from a niche modern look to a more timeless aesthetic, with broader universal appeal among luxury customers.

In the second half of the year, we introduced greater discipline to our branding across product categories, placing stronger emphasis on instantly identifiable Burberry branding and designs, including our iconic Heritage Trench, Burberry Check and EKD.

In outerwear, we expanded our product families beyond rainwear, including in quilts, down and cashmere coats, and highlighted the breadth of our offer in our 'It's Always Burberry Weather' campaign.

Softs, particularly scarves, continue to be a hero category for Burberry. During the year, we increased storytelling and boosted visibility of scarves across all customer touchpoints. We launched an online virtual scarf try-on feature on Burberry.com, allowing us to showcase the breadth of our offer, from lightweight silk scarves to wool and cashmere options in various colours and styles.

Building on our heritage of innovation, we were the first luxury brand to develop new products with biotech start up Spiber Inc. and introduced a blended scarf using an innovative new material called Brewed Protein™, a lab-grown fibre produced through the fermentation of plant-based renewable ingredients.

We extended our offer in capes, a natural adjacency to our heritage and core offer of outerwear and scarves, which have been well received by our customers. We also introduced more elevated, luxury fabrics and treatments in outerwear and capes.

Across categories, we realigned our pricing to reflect our category authority. We introduced good, better, best pricing positions within a luxury context across categories, including ready-to-wear, leather goods and shoes.

We also evolved our approach to branding, expressed in subtle and overt ways, to connect with a broader range of luxury customers. In the first half of the year, we launched our Burberry Classics collection, which featured bold all-over Check jackets with matching trousers and shoes. In contrast, we introduced more subtle Check trims in jersey ready-to-wear, knitwear, handbags and shoes later in the year that have been embraced by a broad array of luxury consumers.

The Autumn and Winter 2025 collections, shown on the runway and in the showroom in February, were the first to be designed with our Timeless British Luxury brand expression and new approach to price balance and branding. These collections will arrive in stores in September.

FY 2025/26 priorities

- Introduce next generation of quilts, downs and rainwear
- Refresh replenishment styles with newness
- Support new handbag lines to fuel momentum

3 Distribution: Align distribution with Product and Customer strategy

We have taken swift action to reflect our evolved Product and Customer strategy across our distribution network. By reasserting our authority in our core categories and adapting our approach to styling across all channels, we aim to broaden Burberry's appeal to reach a wider luxury audience.

In stores, we increased product density, re-introduced mannequins to support cross-selling between categories and gave more prominence to our core category outerwear at the front of stores. Our window displays now reflect our Timeless British Luxury campaigns, highlighting our core products alongside seasonal fashion.

Looking ahead, we are introducing designated Trench Destinations to elevate storytelling and showcase our heritage and most iconic pieces. We will also roll Scarf Bars in 200 stores. Our presence in prominent locations in key luxury markets remains a strength, and we continue to enhance our retail network. Our newly refurbished New York City store on East 57th Street reopened in November 2024, with the launch of a prototype of our Scarf Bar in store and an exclusive made-to-order service for the Castleford Trench Coat, available in leather or suede. The store's opening event was attended by guests, including Cher, Tyra Banks and Cara Delevingne. Other key new and refurbished store openings in FY 2024/25 included Sanlitun in Beijing, Marina Bay Sands in Singapore and Post Street in San Francisco.

At the same time, we reviewed our network of outlets and closed two outlet locations during FY 2024/25.

On Burberry.com, we refined our storytelling to embody Timeless British Luxury while rebalancing our offer with more commercial options. We also updated our product styling to have more universal appeal, evolved our language and introduced visual filters to make it easier for customers to find products.

FY 2025/26 priorities

- Roll out Scarf Bars and pilot Trench Destinations
- Amplify key wholesale activations, while continuing to optimise network
- Elevate outlet with higher Average Unit Retail
- Continue to update e-commerce styling for broader appeal and improve functionality to drive conversion

4 People: Reignite a high-performance culture

During FY 2024/25, we enhanced cross-functional collaboration to support our strategic priorities.

We worked at pace to rekindle our creative and commercial alchemy and to strengthen the link between our Product and Merchandising, Design, and Marketing teams. As a result, we are beginning to see more agile and effective decision-making on both product planning and marketing initiatives.

Maintaining an open dialogue with our people is essential to fostering an open and inclusive culture. In August 2024, we launched our B:Heard Listening Strategy which comprised an annual Engagement Survey, a Pulse Survey and an increased number of employee listening forums. Based on feedback, leaders take actions in their teams and across their functions.

Following the Engagement Survey, our Executive Committee agreed to introduce new decision-making principles and processes to strengthen accountability and ensure we have the right capabilities for data-driven decision-making to create value at scale.

To strengthen our leadership team, we welcomed a number of new senior appointments, including Jonathan Kiman as Chief Marketing Officer, Laura Dubin-Wander as regional President for the Americas, Paul Price as Chief Product, Merchandising and Planning Officer and announced the appointment of Charlotte Baldwin as Chief Information Officer.

To ensure our leaders are more visible, engaged and accountable, we increased the frequency of interactions between our people and the leadership team, including a more regular cadence of global town hall meetings.

FY 2025/26 priorities

- Implement customer-focused organisational structures and agile ways of working
- Roll out new clienteling capability
- Organise for growth

FINANCIAL MEASURES

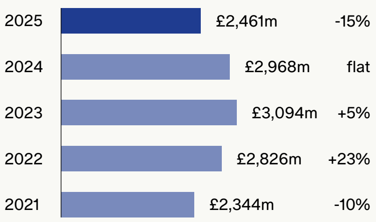
Revenue growth*

This measures the appeal of the Burberry brand to customers through all of our sales channels.

Measured by

CER Revenue growth %

-15%



Performance

FY 2024/25 revenue at constant exchange rates declined by 15% in the year.

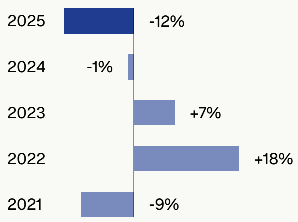
Comparable sales growth*

This measures the growth in productivity of existing stores. It is calculated as the annual percentage increase in sales from retail stores that have been open for more than 12 months. It is adjusted for permanent closures and refurbishments, and includes all digital revenue.

Measured by

CER Comparable store sales growth %

-12%



Performance

FY 2024/25 comparable store sales declined by 12% in the year.

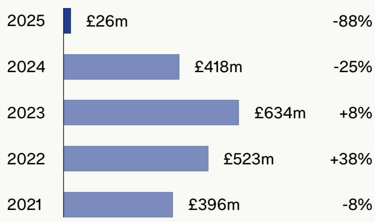
CER Adjusted operating profit growth*

This measure tracks our ongoing operating profitability and reflects the combination of revenue growth and cost management.

Measured by

CER Adjusted operating profit growth %

-88%



Performance

Adjusted operating profit was £26m in the year, a reduction of 88% at constant exchange rates.

* At constant exchange rates and adjusted for the 53rd week in FY 2021/22.

Details of alternative performance measures are shown on pages 34 and 35 and on page 220 for Adjusted Group ROIC.

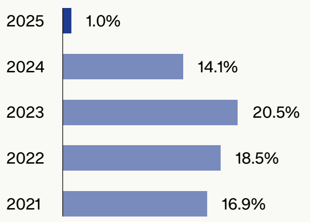
Adjusted operating profit margin

This measures how we drive operational leverage and disciplined cost control, with thoughtful investment for future growth, building the long-term value of the brand.

Measured by

Adjusted operating profit margin %

1.0%



Performance

Adjusted operating margin was 1.0% in the year.

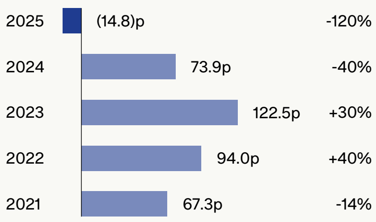
Adjusted diluted EPS growth

Growth in adjusted diluted EPS reflects increase in profitability of the business, movement in the tax rate and share repurchase accretion.

Measured by

Adjusted diluted EPS growth %

-120%



Performance

Adjusted diluted EPS was a loss per share of 14.8p in the year, a decrease of 120%.

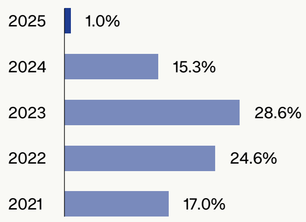
Adjusted Group ROIC

Adjusted Group ROIC measures the efficient use of capital on investments. It is calculated as the post-tax adjusted Group operating profit divided by average adjusted operating assets over the period.

Measured by

Adjusted Group ROIC %

1.0%



Performance

Adjusted Group ROIC decreased to 1.0% in the year due to the decrease in net operating profit after tax.

FINANCIAL REVIEW

Our financial performance in the year included a challenging first half with revenue down 20% at constant exchange rates. In the second half the Group has moved at pace to implement the Burberry Forward strategic plan to reignite brand desire, improve our performance and drive long-term value creation. An improved second half meant revenue performance declined 15% for the full year at constant exchange rates and offset the adjusted operating loss made in the first half of the year with £26m adjusted operating profit for the full year.

All metrics and commentary in the Financial Review exclude adjusting items unless stated otherwise. The alternative performance measures presented in this section include: CER, adjusted (loss)/profit measures, comparable sales, free cash flow, cash conversion, adjusted EBITDA and net debt. The definitions of these alternative performance measures are on pages 34 and 35.

Revenue

- Revenue of £2,461 million was down 15% at constant exchange rates and down 17% at reported exchange rates. Retail store comparable sales down 12%

Gross margin

- Gross margin was 62.5%, a reduction of 470bps at constant exchange rates and 520bps at reported exchange rates. The reduction was primarily due to the action taken in the year to reverse the inventory overhang, both in discounting product and in recognising a charge for inventory provisions

Adjusted operating profit

- Adjusted operating profit was £26 million a reduction of 88% at constant exchange rate and 94% at reported exchange rates. Adjusted net operating expenses were down 3% at constant exchange rates compared with the prior year and 5% at reported exchange rates
- Reported operating loss for the year was £3 million after £29 million adjusting items charge relating to restructuring expenses from the Burberry Forward transformation programme

Summary income statement

Period ended	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024	YoY % change Reported FX	YoY % change CER
Revenue	**2,461**	2,968	(17)	(15)
Cost of sales	**(923)**	(959)		
Gross profit	**1,538**	2,009	(23)	(21)
Gross margin	**62.5%**	67.7%	(520bps)	(470bps)
Adjusted net operating expenses*	**(1,512)**	(1,591)	(5)	(3)
Net opex as a % of sales*	**61.5%**	53.6%	780bps	740bps
Adjusted operating profit*	**26**	418	(94)	(88)
Adjusted operating margin*	**1.0%**	14.1%	(1300bps)	(1210bps)
Adjusting operating items	**(29)**	–		
Operating (loss)/profit	**(3)**	418	(101)	
Operating margin	**(0.1%)**	14.1%	(1420bps)	
Net finance expense	**(63)**	(35)	82	
(Loss)/profit before taxation	**(66)**	383	(117)	
Taxation	**(9)**	(112)	(92)	
Non-controlling interest	**–**	(1)	n/a	
Attributable (loss)/profit	**(75)**	270	(128)	
Adjusted profit before taxation*	**(37)**	383	(110)	(103)
Adjusted diluted EPS (pence)*	**(14.8)**	73.9	(120)	(107)
Diluted EPS (pence)	**(20.9)**	73.9	(128)	
Weighted average number of diluted ordinary shares (millions)**	**358.4**	366.2	(2)	

* Excludes adjusting items. All items below adjusting operating items on a reported basis unless otherwise stated.

** As the Group incurred an attributable loss for the 52 weeks to 29 March 2025, the effect of 0.9m dilutive shares was antidilutive and therefore not included in the calculation of diluted loss per share for the period. For detail see note 10 of the Financial Statements.

Financial performance

Revenue

Revenue by channel

Period ended £ million	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024	YoY % change Reported FX	YoY % change CER
Retail	**2,076**	2,400	(13)	(11)
Comparable store sales growth	**(12%)**	(1%)		
Wholesale	**319**	506	(37)	(35)
Licensing	**66**	62	6	9
Revenue	**2,461**	2,968	(17)	(15)

In FY 2024/25, comparable store sales fell 12%. The contribution from space was 1%, leading to 11% decline in retail sales at constant exchange rates and 13% decline at reported rates.

In Asia Pacific, comparable store sales declined 16% in FY 2024/25.

- Mainland China declined 15% in the year
- South Korea fell 18% in the year
- Japan remained in growth, up 1% in the year boosted by tourist spend mainly from Chinese customers
- South Asia Pacific declined 28% in the year.

EMEIA comparable store sales declined 8% in FY 2024/25. Growth from local customers partially offset a decline in tourist spending. Business in our UK home market continues to be seriously impacted by the withdrawal of VAT refunds for overseas visitors in 2021 which made the UK the least competitive destination in Europe for tourist shopping.

Americas comparable store sales fell 9% in the year. Globally, the Americas customer was in line with the regional performance.

Comparable store analysis by product

- Outerwear and scarves continued to perform better than the Group average in the year
- Ready-to-wear performed broadly in line with the Group average in the year
- Leather goods lagged the Group average in the year.

Store footprint

We opened 26 stores in the year and closed 26, with 422 directly operated stores as at 29 March 2025.

Store portfolio

	Directly operated stores				
	Stores	Con-cessions	Outlets	Total	Franchise stores
At 30 March 2024	227	139	56	422	33
Additions	16	10	–	26	1
Closures	(14)	(10)	(2)	(26)	(1)
At 29 March 2025	**229**	**139**	**54**	**422**	**33**

Store portfolio by region*

	Directly operated stores				
At 29 March 2025	Stores	Con-cessions	Outlets	Total	Franchise stores
Asia Pacific	126	89	22	237	10
EMEIA	45	38	17	100	23
Americas	58	12	15	85	–
Total	**229**	**139**	**54**	**422**	**33**

* Excludes the impact of pop up stores.

Wholesale

Wholesale revenue declined 35% at constant exchange rates and 37% at reported exchange rates in FY 2024/25 as a result of a strategic review of our partners, as well as the challenging consumer demand environment.

Licensing

Licensing revenue grew 9% at constant exchange rates and 6% at reported exchange rates, driven by continued strength in fragrance.

Operating (loss)/profit analysis

Adjusted operating profit

Adjusted operating profit was £26 million with an adjusted operating margin of 1%.

- Gross margin declined by 470bps at constant exchange rates and 520bps at reported exchange rates, driven mostly by inventory exit to address our overhang. These actions delivered gross inventory down 7% at constant exchange rates and down 9% at reported exchange rates as at 29 March 2025.
- Adjusted net operating expenses reduced by 3% at constant exchange rates and 5% at reported exchange rates. This was driven by tight cost control alongside a reduction in our variable costs. We delivered £24 million in structural savings from our organisational efficiency programme initiated during the year.
- Foreign exchange was a headwind, impacting adjusted operating profit by £25 million.

Adjusting items

Period ended £ million	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024
Restructuring costs	(29)	–
Total adjusting items	(29)	–

Restructuring costs of £29 million (FY 2023/24: £nil) were incurred, arising primarily as a result of the Burberry Forward transformation programme initiated during the period. The costs principally related to redundancies and consulting costs and were recorded in operating expenses.

Net finance charge

The net finance charge for the year was £63 million (FY 2023/24: £35 million). This includes interest on lease liabilities of £49 million and a net financing charge of £14 million. The increase in the year was primarily due to the additional £450 million borrowings in the year.

Adjusted (loss)/profit before tax

After an adjusted net finance expense of £63 million (FY 2023/24: £35 million), adjusted loss before tax was £37 million (FY 2023/24: adjusted profit before tax £383 million).

Taxation

The Group's adjusted effective tax rate was -43% (FY 2023/24: 29%) and the reported effective tax rate was -13% (FY 2023/24: 29%). The reduction in the FY 2024/25 reported tax rate versus FY 2023/24 was driven by reduced profitability causing routine disallowed expenses and prior year adjustments to have a greater impact.

Cash flow and leverage

Summary statement of cash flows

The following table is a representation of the cash flows, excluding financing cash flows to align with our definition of free cash flow.

Period ended £ million	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024
Adjusted operating profit	26	418
Depreciation and amortisation	413	379
Working capital	75	(166)
Other including adjusting items	12	34
Cash generated from operating activities	526	665
Payment of lease principal and related cash flows	(225)	(235)
Capital expenditure	(151)	(208)
Proceeds from disposal of non-current assets	12	–
Interest	(54)	(20)
Tax	(43)	(139)
Free cash flow	65	63

Free cash flow was £65 million in the year (FY 2023/24: £63 million). The major components were:

- Cash generated from operating activities decreased by £139 million to £526 million due primarily to a £392 million reduction in adjusted operating profit partially offset by a working capital inflow of £75 million (FY 2023/24: £166 million outflow) driven by lower inventory levels
- Capital expenditure of £151 million (FY 2023/24: £208 million) with £80 million on the store network which reduced compared with the prior year
- Net Interest paid increased by £34 million to £54 million (FY 2023/24: £20 million) due to the additional borrowings in the year and lower average cash balances throughout the year
- Tax paid reduced by £96 million to £43 million (FY 2023/24: £139 million) reflecting lower profitability

The FY 2023/24 final dividend of £152 million was paid in the year, however dividend payments were suspended in July in order to maintain a strong balance sheet and enable investment in Burberry's long term growth.

Cash net of overdrafts on 29 March 2025 was £708 million (30 March 2024: £362 million). On 29 March 2025 borrowings were £738 million with a £450 million bond raised in the year, in addition to the existing £300 million sustainability bond maturing in September 2025. This resulted in net debt of £30 million before lease liabilities of £1,081 million (30 March 2024: net cash £63 million). After lease liabilities, net debt in the period was £1,111 million (30 March 2024: £1,125 million). Net Debt/Adjusted EBITDA was 2.3x. The increase in leverage from 1.4x at 30 March 2024 was driven by lower profitability.

While leverage is temporarily elevated, the Group is focusing on returning to a more normalised level organically, through the actions being taken to rebuild profitability.

The Group's existing £300 million Revolving Credit Facility (RCF), as well as the £75 million RCF entered into in the year both remain undrawn.

Period ended £ million	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024
Adjusted EBITDA	**483**	811
Cash net of overdrafts	**(708)**	(362)
Bond	**738**	299
Lease debt	**1,081**	1,188
Net Debt	**1,111**	1,125
Net Debt/Adjusted EBITDA	**2.3x**	1.4x

Organising for growth

At the heart of Burberry Forward is our commitment to restoring a culture of creative and commercial alchemy rigorously focused on our customer. Our plan is underpinned by a step change in productivity, simplification, and financial discipline. We are proposing to implement organisational changes aimed at enhancing collaboration across our business, increasing our agility, driving efficiency and profitability while protecting our investment in consumer-facing areas. Reimagining Burberry in this way will ensure that the organisation is fit for the future in a demanding and dynamic global market.

We expect the proposed changes to unlock an additional £60m of savings by FY 2026/27, while enabling us to continue to fund our biggest growth opportunities. This is incremental to our previously announced £40 million cost-savings programme, bringing the expected combined annualised savings to £100 million by FY 2026/27. We expect these proposed incremental savings to come from operating expenses, with increased efficiency of spend in procurement and real estate, and a reduction in people-related costs.

The associated one-off costs across both programmes, which are largely cash, are expected to total around £80 million (£29 million exceptional cost in FY 2024/25 with the balance in FY 2025/26).

Outlook

We are positioning the brand for a return to sustainable, profitable growth. We remain confident that our strategic plan will improve our performance and drive long-term value creation.

Our focus in the year ahead will be to build on the early progress we have made in reigniting brand desire. We will also deliver margin improvement alongside a continued focus on simplification, productivity and cash flow.

In the context of a still uncertain external environment, we expect retail space to be broadly stable with capital expenditure of around £130 million in FY 2025/26. We expect wholesale revenue to decline by a mid-teens percentage in the first half of FY 2025/26.

As we progress Burberry Forward, we expect the restructuring charge to be around £50 million in FY 2025/26 and to deliver around £80 million of annualised cost savings, of which £24 million were delivered in FY 2024/25.

Based on foreign exchange rates effective as at 2 May 2025, the impact of year-on-year exchange rate movements is expected to be a c.£55 million headwind on revenue and c.£10 million headwind on adjusted operating profit.

Alternative performance measures

Alternative performance measures (APMs) are non-GAAP measures. The Board uses the following APMs to describe the Group's financial performance and for internal budgeting, performance monitoring, management remuneration target setting and external reporting purposes.

<table>
<tr><th>APM</th><th>Description and purpose</th><th>GAAP measure reconciled to</th></tr>
<tr><td>Constant Exchange Rates (CER)</td><td>This measure removes the effect of changes in exchange rates compared to the prior period. The constant exchange rate incorporates both the impact of the movement in exchange rates on the translation of overseas subsidiaries' results and also on foreign currency procurement and sales through the Group's UK supply chain.</td><td>Results at reported rates</td></tr>
<tr><td>Comparable Sales</td><td>The year-on-year change in sales from stores trading over equivalent time periods and measured at constant foreign exchange rates. It also includes online sales. This measure is used to strip out the impact of permanent store openings and closings, or those closures relating to refurbishments, allowing a comparison of equivalent store performance against the prior period.</td><td>Retail Revenue:
<table>
<tr><th>Period ended YoY%</th><th>52 weeks ended 29 March 2025</th><th>52 weeks ended 30 March 2024</th></tr>
<tr><td>Comparable sales</td><td>(12%)</td><td>(1%)</td></tr>
<tr><td>Change in space</td><td>1%</td><td>2%</td></tr>
<tr><td>CER retail</td><td>(11%)</td><td>1%</td></tr>
<tr><td>FX</td><td>(2%)</td><td>(5%)</td></tr>
<tr><td>Retail revenue</td><td>(13%)</td><td>(4%)</td></tr>
</table></td></tr>
<tr><td>Adjusted Profit</td><td>Adjusted profit measures are presented to provide additional consideration of the underlying performance of the Group's ongoing business. These measures remove the impact of those items which should be excluded to provide a consistent and comparable view of performance.</td><td>Reported Profit:

A reconciliation of reported profit before tax to adjusted profit before tax and the Group's accounting policy for adjusted profit before tax are set out in the financial statements.</td></tr>
<tr><td>Free Cash Flow</td><td>Free cash flow is defined as net cash generated from operating activities less capital expenditure plus cash inflows from disposal of fixed assets and including cash outflows for lease principal payments and other lease related items.</td><td>Net cash generated from operating activities:
<table>
<tr><th>Period ended £m</th><th>52 weeks ended 29 March 2025</th><th>52 weeks ended 30 March 2024</th></tr>
<tr><td>Net cash generated from operating activities</td><td>429</td><td>506</td></tr>
<tr><td>Capex</td><td>(151)</td><td>(208)</td></tr>
<tr><td>Lease principal and related cash flows</td><td>(225)</td><td>(235)</td></tr>
<tr><td>Proceeds from disposal of non-current assets</td><td>12</td><td>–</td></tr>
<tr><td>Free cash flow</td><td>65</td><td>63</td></tr>
</table></td></tr>
<tr><td>Cash Conversion</td><td>Cash conversion is defined as free cash flow pre-tax/adjusted (loss)/profit before tax. It provides a measure of the Group's effectiveness in converting its profit into cash.</td><td>Net cash generated from operating activities:
<table>
<tr><th>Period ended £m</th><th>52 weeks ended 29 March 2025</th><th>52 weeks ended 30 March 2024</th></tr>
<tr><td>Free cash flow</td><td>65</td><td>63</td></tr>
<tr><td>Tax paid</td><td>43</td><td>139</td></tr>
<tr><td>Free cash flow before tax</td><td>108</td><td>202</td></tr>
<tr><td>Adjusted (loss)/profit before tax</td><td>(37)</td><td>383</td></tr>
<tr><td>Cash conversion</td><td>n/a</td><td>53%</td></tr>
</table></td></tr>
</table>

APM	Description and purpose	GAAP measure reconciled to
Net Debt	Net debt is defined as the lease liability recognised on the balance sheet plus borrowings less cash net of overdrafts.	Cash net of overdrafts:

Period ended £m	As at 29 March 2025	As at 30 March 2024
Cash net of overdrafts	708	362
Lease liability	(1,081)	(1,188)
Borrowings	(738)	(299)
Net debt	(1,111)	(1,125)

APM	Description and purpose	GAAP measure reconciled to
Adjusted EBITDA	Adjusted EBITDA* is defined as operating (loss)/profit, excluding adjusting operating items, depreciation and impairment of property, plant and equipment, depreciation and impairment of right of use assets and amortisation and impairment of intangible assets. Any depreciation, amortisation or impairment included in adjusting operating items are not double counted. Adjusted EBITDA is shown for the calculation of Net Debt/EBITDA for our leverage ratios.	

Period ended £m	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024
Operating (loss)/profit	(3)	418
Adjusting operating items	29	–
Amortisation and impairment of intangible assets	58	42
Depreciation and impairment of property, plant and equipment	122	108
Depreciation and impairment of right-of-use assets	277	243
Adjusted EBITDA	483	811

* Our definition of adjusted EBITDA has been updated to reflect the exclusion of the impairment of right-of-use and other non-current assets where this income statement impact is included within adjusted operating (loss)/profit. Prior to this change, adjusted EBITDA was £797 million for the 52 weeks ended 30 March 2024.

CAPITAL ALLOCATION FRAMEWORK

Our strategy and targets are governed by our Capital Allocation Framework, which we use to prioritise the use of cash. This framework addresses the investment needs of the business, dividend payments and additional returns to shareholders. The framework also seeks to maintain an appropriate capital structure for the business and a strong balance sheet with an investment grade credit rating.

While our capital allocation principles remain unchanged, given the current trading environment, in the short term we are taking a prudent approach to conserve cash and secure liquidity to support the business through the Burberry Forward transformation. This has temporary implications for the application of the framework, including not declaring a dividend in respect of FY 2024/25 and keeping future capital returns under review. We intend to return to paying a dividend as soon as possible.

Net Debt/Adjusted Earnings Before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) was 2.3x at FY 2024/25 (FY 2023/24: 1.4x) on a rolling 12-month period, above our target range of 0.5x to 1.0x. We continue to be a cash generative business and are comfortable with this current leverage position which is consistent with our policy to maintain an investment grade credit rating. We will deliver sustainable profitable growth and drive cash flow under our strategic plan, which we are confident will organically de-lever the business to our target range over time. The diagram below summarises the key priorities of our framework.

1

Reinvest for organic growth

Capital spend across store portfolio, including new spaces and refurbishments; IT infrastructure, including digital; and the supply chain. Spend includes investment in Environmental, Social and Governance initiatives.

2

Progressive dividend policy

Subject to there being capital available after we have reinvested for organic growth, our second priority is the payment of a dividend. The absolute amount of dividend per share will remain stable or increase on a full-year basis, broadly targeting a pay-out of around 50% of adjusted earnings per share at reported rates of exchange. The interim dividend pay-out would typically be 30% of the absolute value of the prior year full-year dividend.

3

Inorganic strategic investment

Our third priority for capital allocation is investment in acquisitions to complement our business activities, which are expected to be infrequent.

4

Return excess cash to shareholders

After allocation of capital to the first three priorities of our framework, any excess cash would be returned to shareholders. The determination of excess cash is based on a leverage range of 0.5x to 1.0x after considering future cash generation and the external environment.

Maintain a strong balance sheet with an investment grade credit rating

Review the principal risks of the Group and relevant financial parameters, both historical and projected, including liquidity, net debt and measures covering balance sheet strength.

These risks and financial parameters are considered by the Board when assessing the viability of the Group, as set out on pages 90 to 101.

Capital structure metrics	FY 2024/25	FY 2023/24
Cash net of overdrafts	**£708m**	£362m
Lease liability	**(£1,081m)**	(£1,188m)
Borrowings	**(£738m)**	(£299m)
Net debt	**(£1,111m)**	(£1,125m)
Net debt/EBITDA	**2.3x**	1.4x

OUR PEOPLE AND CULTURE

Our people are our greatest asset. We strive to foster an environment where ideas and creativity flourish and our colleagues thrive. Building on our purpose, Creativity Opens Spaces, and our values of being open and caring, creatively driven, forward thinking and proud of our heritage, we encourage creative minds from different backgrounds to come together to collaborate, innovate and excel.

Introduction

As a global organisation operating in more than 30 countries and territories, we are well positioned to leverage the diverse talents and perspectives of our people to create exceptional luxury products and experiences for our customers around the world.

Our brand's rich heritage of innovation inspires our colleagues to continue to push boundaries and endeavour to lead the luxury market.

This section outlines how we are supporting our people to drive Burberry Forward. It also details the actions we are taking to cultivate colleague growth and belonging, and ensure that our people can realise their full potential.

REIGNITING A HIGH-PERFORMANCE CULTURE

Key to the success of Burberry Forward is creating a culture that allows us to fully mobilise the creativity and talent of our people. Our roadmap for achieving this has four pillars:

1. Organising for Growth
2. Authentic Leadership
3. Talent at the Centre
4. Purpose and Belonging

To reignite a high-performance culture, we are focused on organising for growth by streamlining our operating model and bringing clarity to roles, demonstrating authentic leadership, enhancing decision-making capabilities and supporting our colleagues' professional development. Through our purpose and values, we also aim to build greater connections between our brand and our people so that colleagues feel fulfilled in their work and inspired to perform at their best.

1. Organising for Growth

As we focus on organising for growth, clear organisational structures and defined roles and responsibilities will provide the foundation for a high-performance culture. In FY 2024/25, we reviewed the structure of our business to implement a more agile organisation where colleagues have clarity on their roles and the expectations of what they need to deliver.

Throughout Burberry, we are modelling customer centricity and bringing our decision-making processes closer to the customer. In FY 2024/25 we modelled this when our CEO, Joshua Schulman, chose not to replace the Chief Commercial Officer and instead realigned our regional Presidents to report directly to him. To rekindle creative and commercial alchemy, we have also actively strengthened the cross-collaboration between the Product and Merchandising, and Design and Marketing teams, which has been further enabled by reuniting our London-based colleagues under one roof in our newly renovated London headquarters, Horseferry House.

During this period of organisational change and the rollout of Burberry Forward, we have ensured our colleagues are regularly updated by increasing the cadence of our global, regional and functional town halls, and by further amplifying leadership communications. Supported by the Executive Committee, Joshua used these events to bring colleagues on the journey of our refreshed strategy, sharing his optimism for the future of Burberry and providing clarity on what Burberry Forward means for both our business and our colleagues.

2. Authentic Leadership

Cultivating authentic leadership is crucial to both inspiring colleagues and enabling them to deliver our Burberry Forward strategy with focus, urgency and optimism. To support this, we introduced Leading Forward, which in FY 2024/25 comprised two initiatives, B:Leaders and B:Managers.

The B:Leaders Framework was launched in March 2025. It has three aims: Bring Clarity, Create Connection and Strive Forward, and is designed to equip colleagues with the knowledge, skills and tools to lead with clarity, inspire confidence and drive impactful change. The framework is being delivered collaboratively through learning events, regular meetings, online resources, a series of interviews with senior leaders, and peer coaching circles. To launch the B:Leaders Framework, we hosted an internal keynote speaker and panel discussion focusing on the power of optimism and resilience in creating a high-performance culture. Leaders then received practical guidance on how to activate the key themes within their teams.

B:Managers, our new development training for line managers, was announced to colleagues in FY 2024/25, and is due to roll out in FY 2025/26. Comprising virtual skills-based learning sessions and supported by a Line Manager Playbook, the development training is designed to set a consistent experience of management for both colleagues and line managers, further enabling our high-performance culture.

3. Talent at the Centre

We believe that continuous growth and development is key to unlocking the potential of our people. By putting talent at the centre of our strategy and prioritising opportunities for growth, we are building an adaptable and resilient workforce where all are enabled to thrive.

During FY 2024/25, we refreshed our talent review and performance processes to ensure we create clear plans for colleagues to progress within Burberry. We highlighted this focus on career development within our Leadership Development Programmes, which are designed to guide Burberry leaders at pivotal milestones in their careers, including at manager, senior manager and executive level. The programmes were attended by more than 300 colleagues throughout the year, with participants reporting improvements in key leadership skills, including communication, delegation, and accountability. These programmes have since been superseded by the B:Leaders and B:Managers initiatives.

We also evolved our suite of independent learning materials for colleagues with the launch of Go1, our digital learning platform, in November 2024. Go1 provides on-demand access to a broad range of upskilling resources and empowers colleagues at every level to take ownership of their learning and growth. The platform allows users to create bespoke playlists which can be shared with other colleagues on topics including leadership, transformation and goal-setting. By the end of FY 2024/25, 60% of non-retail colleagues had accessed the resources available on Go1.

Our Internal UK Apprenticeship Programme continues to be a key development tool for colleagues, with the number of participants growing by 308% over the past two financial years. Created in collaboration with our people and delivered with external training providers, the programme offers Burberry colleagues in the UK the opportunity to diversify their skill set by choosing to complete an apprenticeship in one of more than 30 disciplines. Across the business, colleagues can gain qualifications up to degree level while working full-time, allowing them to maintain momentum in their careers and at the same time craft their own path. In FY 2024/25, we continued to support our apprentices during their learning journeys and maintained a 10% dropout rate, which is well below the national average of 46%.

In January 2025, we unveiled our redesigned Burberry Careers website which offers an enhanced user experience. With a simplified application process and further details on benefits and opportunities for development, the site illustrates our values, heritage and life at Burberry for existing and prospective colleagues alike.

4. Purpose and Belonging

To generate a greater sense of belonging among our colleagues, we are creating more moments for everyone to come together. This includes an increased drumbeat of global, regional and functional town halls which focus on our strategic progress, as well as internal events that celebrate key moments, such as our brand campaigns and runway shows.

We value our colleagues' voices and recognise the need to provide varied ways in which they can share their views. In FY 2024/25, we launched our B:Heard Listening strategy to offer multiple avenues for our leaders and colleagues to engage in open and honest dialogue.

As part of the strategy, we conducted a Pulse Survey in August 2024 and expanded our annual Engagement Survey in October 2024. By enlisting the support of our leaders to encourage participation in the Engagement Survey, we achieved a 79% completion rate with more than 8,000 comments, which were reviewed and considered by members of the Executive Committee. Alongside our Workforce Advisory Forum, which brings together colleagues and Board members to discuss key topics, we also created employee listening forums to offer further opportunities for direct dialogue. The employee listening forums were attended by senior leaders and designed to identify root causes of key issues, propose solutions and implement sustainable change.

Recognising and celebrating the diversity of our colleagues is fundamental to maintaining a culture of inclusion and belonging. To read more about our commitment to diversity, equity and inclusion, and how we build awareness and allyship, see page 73.

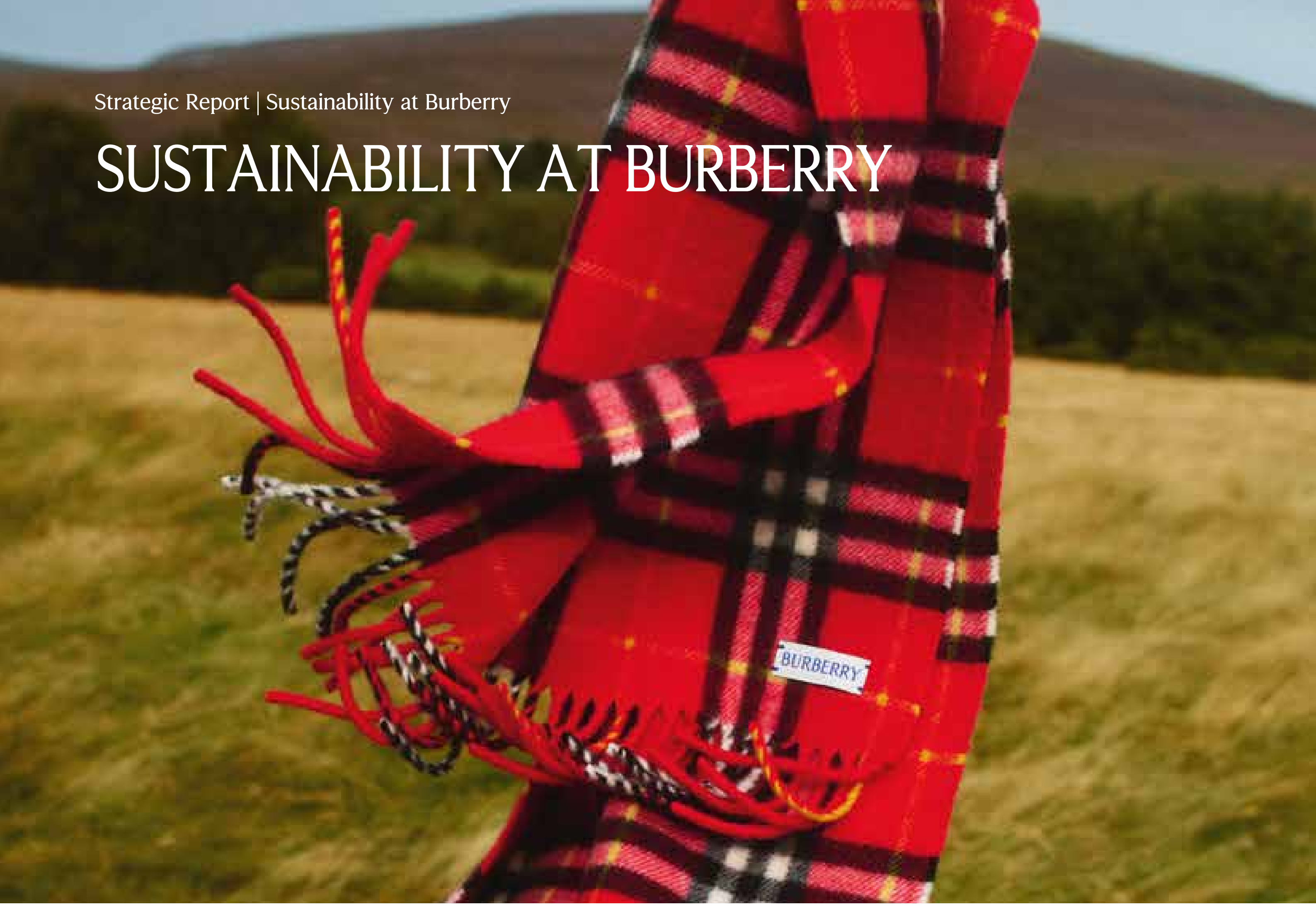
"It definitely made me more confident and efficient, helping me to develop strategic thinking and make more informed decisions. It also prepared me to take on new challenges internally and encouraged me to put myself forward for promotions when they were available."

MBA Apprenticeship Graduate

Equestrian Knight Club

FY 2024/25 marked the third year of our internal retail reward and recognition programme, the Equestrian Knight Club (EKC). Established in 2023, the EKC honours the outstanding achievements of Client Advisors who exemplify Thomas Burberry's entrepreneurial spirit and forward thinking mindset while setting new standards in sales excellence. Recognising exceptional performance in stores and customer service, it reflects our ongoing commitment to placing talent at the centre of Burberry and fostering a high-performance culture across all our customer touchpoints.

SUSTAINABILITY AT BURBERRY



As an open and caring company, we endeavour to act responsibly with respect to the environment, the communities in which we operate and those employed within our business and wider supply chain.

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SUSTAINABILITY INFORMATION

1. Burberry Beyond strategy

Social and environmental responsibility is a key aspect of how Burberry operates as a business, and is of great importance to our colleagues and customers.

Our Burberry Beyond strategy encompasses our work with respect to the sustainability-related impacts, risks and opportunities that exist within our value chain. With its Product, Planet, People and Communities pillars, the strategy aims to strengthen Burberry's resilience by reducing our environmental footprint and ensuring the Company behaves responsibly towards our planet, our people and the communities we impact.

On the following pages, we provide detailed information regarding each strategic priority, including policies, actions and targets, and the steps taken during FY 2024/25 to deliver our strategy.

2. Basis for preparation

Scope of data

The data in this section is based on the period 1 April 2024 to 31 March 2025, unless otherwise stated. For the avoidance of doubt, the Company's financial accounting period is from 31 March 2024 to 29 March 2025. However, references to FY 2024/25 for the indicators included in the Sustainability at Burberry section (pages 41 to 88) refer to the period 1 April 2024 to 31 March 2025.

Our sustainability data for FY 2024/25 covers our global operations. In the financial year, no material changes in the Company's operations, value chain or business activities triggered a rebaselining of sustainability data.

We publish a separate Sustainability Basis of Reporting FY 2024/25 document on Burberryplc.com which provides further details of the scope of our assured data and targets, as well as any assumptions or exclusions that apply. We have also added footnotes to the data tables on subsequent pages to explain any significant estimates or assumptions we have made.

Frameworks and legislation

This section contains our climate-related financial disclosure consistent with the Task Force on Climate-related Financial Disclosures (TCFD) (pages 47 to 71) to comply with The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and UK Listing Rule 6.6.6R(8). Our energy and carbon data is reported on page 58 to comply with the UK's Streamlined Energy and Carbon Reporting requirements. We also publish a Transparency in the Supply Chain and Modern Slavery Statement on Burberryplc.com on an annual basis. This is in accordance with the UK Modern Slavery Act 2015, the California Transparency in Supply Chains Act of 2010, Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act and Australia's Modern Slavery Act 2018.

Non-financial key performance indicators (KPIs)

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

For further details on environmental and social sustainability activities and FY 2024/25 progress against our Burberry Beyond targets, see pages 55 to 85. The Group has considered the non-financial reporting requirements under sections 414CA and 414CB of the Companies Act 2006 and has included details in the Annual Report.

Thresholds for restatements

Any restatements to sustainability data are clearly indicated with the reason provided. More information on our sustainability data methodologies, including our Greenhouse Gas Emissions (GHG) Restatement Policy, can be found in our Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

External assurance

We have engaged Ernst & Young LLP (EY) to provide an external independent limited assurance statement in accordance with ISAE 3000 on our FY 2024/25 TCFD disclosures and specific sustainability data denoted with a ^. For the outcomes of this assurance, see the practitioner's Limited Assurance Report on Burberryplc.com.

3. Governance and management

Board oversight

The Board is responsible for ensuring our approach to sustainability is integrated into and implemented across the business. Our Governance Framework of committees and advisory forums provides updates and key information to the Board to ensure it can make informed decisions. This is outlined in the Corporate Governance Statement on pages 102 to 161. More detail on the roles of the Board and the terms of reference for each committee is set out in the Matters Reserved for Board Decision and the Committees' terms of reference, which are available in the Corporate Governance section of Burberryplc.com. When reviewing annual budgets, the Board considers sustainability-related issues, including spend associated with our Burberry Beyond strategy, capital expenditure relating to improving energy efficiency in our own operations, and colleague bonuses aligned to our sustainability targets. The Board is also responsible for overseeing and monitoring the management of risks and opportunities, including those related to climate change.

Further information on the risk management approach is included in the Risk and Viability Report on pages 90 to 101.

Management oversight

The CEO has accountability for sustainability performance at executive level and delegates managerial oversight of environmental and social responsibility matters to our Corporate Responsibility team. Led by the Vice President of Corporate Responsibility, the team's expertise ranges from carbon accounting through to sustainable raw material sourcing and ethical trading. The Corporate Responsibility team acts as a centre of excellence, guiding the execution of our Burberry Beyond strategy by collaborating with teams across the business, including Sustainable Finance, Sustainable Information Technology (IT), Legal, Product, Supply Chain and Human Resources.

The Company's strategy on environment-related issues, Burberry Beyond, is governed by the Sustainability Committee, which convened three times in FY 2024/25 and is chaired by the CEO. The Committee plays an important decision-making role in supporting Burberry's environmental agenda, with membership including senior leaders from across the organisation who are responsible for the execution of the strategy within their respective business areas. In FY 2024/25, topics discussed by the Sustainability Committee included future climate-related disclosure requirements, product sustainability and our ReBurberry services. During FY 2024/25, the Board received two updates from the Sustainability Committee, which included progress against the Company's sustainability-related goals and targets. The Board also received an update on Burberry's decarbonisation plans and disclosures.

The Ethics Committee oversees the Company's governance and strategy relating to our social agenda, including the governance of human rights risks and due diligence in our supply chain.

Where risks are identified, they are reported by management to the Ethics Committee, which reports directly to the Audit Committee. The Ethics Committee also has oversight of our community investment work as it reviews the Company's charitable donations twice a year. The Board also receives an annual update on the Company's community agenda and approves the budget for charitable donations.

The Risk Committee, which is chaired by the CFO, is responsible for managing and monitoring sustainability-related impacts, risks and opportunities and has oversight of the Company's climate-related financial risk disclosures and preparations for upcoming reporting regulations. The Audit Committee also receives updates on the Company's preparation for upcoming regulatory requirements and recommends the annual sustainability and risk-related disclosures for approval by the Board. The Board reviews our sustainability reporting as part of its overall assessment of the fair, balanced and understandable nature of the Annual Report.

Knowledge and skills

Burberry seeks to ensure that our Board and senior leadership have the relevant knowledge and skills to help us build a business that is both successful and responsible. Details regarding Board members' sustainability skills and experience are included in the biographies section on pages 104 to 108.

We aim to educate colleagues on various sustainability-related topics through frequent engagement and communications, focused events and volunteering opportunities. Internal communications include a weekly fast-fact series and a monthly sustainability newsletter consisting of product launches, industry news and updates, and learning resources.

In FY 2024/25, we launched Choose Our Future: The Climate Game. Designed by Burberry colleagues, for Burberry colleagues, the digital tool is a tailored, colleague-owned learning experience designed to equip teams with the knowledge they need to enable sustainability-related decision-making. The game was introduced across our Marketing and Retail functions in March 2025, with first versions available in English, Simplified Chinese, Traditional Chinese, Korean and Japanese. In FY 2024/25, we also launched an online modern slavery training programme, which is mandatory for colleagues in Supply Chain, Corporate Responsibility, Procurement and relevant Human Resources roles. In addition, we provided training for around 700 Supply Chain and Product Development colleagues on sustainability topics, including product sustainability, responsible sourcing and our Burberry Beyond strategy.

Beyond digital engagement, we also connect with colleagues through in-person events, such as our Sustainable Product and ReBurberry Showcase. This event invited colleagues to learn more about various Burberry sustainability initiatives and experience our circular services firsthand, including our Cashmere and Leather Refresh services and fragrance refills. Attendees could also meet with teams working on sustainability, including colleagues from our Internal Manufacturing team.

We are building capabilities across the business to ensure teams have the relevant sustainability-related knowledge and skills to support decision-making. Team members involved in the execution of the Burberry Beyond strategy participate in external training courses and educational events, including the Accounting for Sustainability (A4S) Academy, to keep abreast of relevant climate- and nature-related topics. We will continue to expand our sustainability training, with a particular focus on developing the relevant skills, knowledge and competencies required for colleagues to contribute to the delivery of our strategy.

Remuneration

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

For FY 2025/26, 25% of the annual bonus for Executive Directors will be linked to performance against strategic objectives linked to our strategy and brand, as well as our sustainability targets. There will be a sustainability underpin in the 2025 BSP award for the Executive Directors.

Since FY 2023/24 we have linked a proportion of our discretionary annual corporate bonus plan for the wider workforce to the achievement of sustainability metrics.

Statement on sustainability due diligence

During FY 2024/25, we continued to meet and prepare for current and future due diligence legislation in line with the expectations of our external stakeholders, such as international regulators, consumers, investors and governments. A cross-functional team of experts has been set up to focus on developing an aligned approach to human rights and environmental due diligence. This builds on our well-established due diligence practices, by identifying opportunities to strengthen and integrate processes across social and environmental risks and impacts, and enhancing the effectiveness of our overall Due Diligence Framework. Our approach prioritises improving labour conditions, creating positive impacts and driving efforts to address endemic human rights issues, while advocating for sustainable change across the industry with our key stakeholders. Full details of our approach are available in our Transparency in the Supply Chain and Modern Slavery Statement FY 2024/25 available on Burberryplc.com.

Risk management and internal controls

The overarching approach to identifying sustainability-related risks is the same as for all principal risks, which is detailed on pages 92 to 93. For each risk, including climate change and supply chain impacts, we have a Risk Management Framework detailing the controls in place and those responsible for managing the overall risk and the relevant mitigating controls. We monitor risks throughout the year to identify changes in principal risk profiles. Management of sustainability-related risks is distributed throughout the organisation, depending on where the risk resides. For example, climate-related risks in relation to raw materials in the supply chain are managed by our Raw Material Procurement team responsible for buying materials.

When sustainability-related risks are assessed, existing mitigating activities and controls are highlighted and, where relevant and appropriate, additional activities and controls are implemented if risks fall outside of risk tolerance. Progress against these mitigating activities is assessed by the appropriate committee responsible for monitoring the associated risk (as described in the Management oversight section on page 41).

Sustainability-related risks and opportunities are continually monitored as part of our Enterprise Risk Management Framework. This allows us to evaluate the relative significance of our risks based on their likelihood and impact, and to prioritise accordingly. The business has also developed a risk platform, which enables us to track our business objectives, including those which create or protect financial, social, environmental and reputational value.

We also scan for new and emerging risks and keep abreast of evolving regulatory requirements.

4. Section 172 (1) statement and stakeholder engagement

Burberry is committed to listening to our stakeholders and doing right by them to ensure our long-term success.

Section 172 (1) statement

In accordance with the Companies Act 2006 (the Act), the Directors provide this statement to describe how they have engaged with and had regard to the interests of our key stakeholders when performing their duty to promote the success of the Company, under section 172 (1) of the Act.

The Board is aware of its obligations, both collectively and individually, to promote the success of the Company for the benefit of its stakeholders. When making decisions, each Director ensures that they act in the way they consider, in good faith, would most likely promote Burberry's success for the benefit of its members as a whole, and in doing so has regard (among other matters) to the issues set out below.

Section 172 (1) factor	
(a) The likely consequences of any decision in the long term	The decisions taken by the Directors are aimed at ensuring Burberry has a stable and viable future. The Directors consider macroeconomic and geopolitical factors and how they might impact Burberry in the long term, monitor trends in the global personal luxury goods market and identify principal and emerging risks and how these might impact the business. The key decisions taken during FY 2024/25 to pursue the Burberry Forward transformation programme and stabilise Burberry's financial position demonstrate how the Directors considered the consequences and how these decisions support Burberry in the long term. Further information on the global luxury market can be found on page 20. Further information on Principal Risks can be found on page 92. Further information on Key Decisions can be found on page 115.
(b) Interests of employees	Burberry's people, whether direct colleagues or people in the supply chain, are fundamental to the success of our business. The Board's decisions are aimed at fostering a positive culture with Burberry's values at the core. The Board's decision to support the Burberry Forward strategy supports the long-term future of our people. Further information on our people can be found on page 37. Further information on the Burberry Forward pillar to Reignite a High-Performance Culture can be found on page 37. Further information on how the Board engages with employees can be found on page 115.
(c) Fostering the company's business relationships with suppliers, customers and others	Customers are at the heart of Burberry and the Board monitors brand sentiment and customer engagement as well as assessing trading performance. As a luxury goods business, our supply chain is core to our success. Burberry seeks to promote and apply ethical conduct and principles of business engagement in our relationships with suppliers. Through reports from executive management, the Board monitors these relationships. Further information on our customers and brand can be found in the Burberry Forward section on pages 13 to 17 and the Business Update section on pages 22 to 26. Further information on supplier relationships can be found on page 45.
(d) Impact of operations on the community and environment	Acting responsibly with respect to the environment and the communities in which we operate is a key focus for Burberry. Further information on environment and the communities in which we operate can be found in the Sustainability at Burberry section from pages 41 to 88.
(e) Maintaining a reputation for high standards of business conduct	The Board periodically reviews and approves Burberry's Code of Conduct and other key policies aimed at upholding the highest standards of business conduct. Further information on business conduct at Burberry can be found on pages 86 to 88.
(f) Acting fairly between members of the Company	When making decisions, the Board considers which outcomes will support Burberry's long-term future and promote the interests of the Company's members as a whole. In this way, Burberry acts fairly between members. Further information on the Board's engagement with shareholders can be found on page 115.

Ensuring regular, comprehensive engagement with our stakeholders across the business helps us to understand their perspectives and values. We are mindful of maintaining balance between the competing priorities of different stakeholder groups. This knowledge influences decision-making and planning both at management and Board level, allowing us to deliver our strategy, conscious of the potential impact of our actions.

Matters submitted to the Board for approval from various areas of the business are required to identify which stakeholder groups would be impacted and how. This enables the Board to engage in informed discussions before reaching key strategic decisions.

The Board's focus areas during FY 2024/25 and key decisions made during the year are set out on pages 114 to 115. How stakeholder views were taken into account and engagement outcomes are set out on pages 44 to 45.

We engage with our stakeholders and work with our partners to drive change and deliver sustainable value.

Stakeholder	Why we engage	How we engage	Example outcomes of the engagement
Customers We sell to and connect with our customers through directly operated stores, concessions and wholesale partners, as well as via Burberry.com.	Our customers ensure Burberry's viability as a business. We aim to inspire and excite them with desirable products of exceptional quality. We provide exemplary customer service through a seamless omnichannel experience and invite them to explore Burberry in innovative ways.	We engage with our customers through messaging on products, marketing campaigns, social media, Company websites, global consumer research and in-store events. The Board receives customer insights through presentations from the CEO and senior managers as well as regional Presidents. Board members regularly visit store locations globally and attend special events such as store openings and fashion shows. During FY 2024/25, Board members attended the reopening of the East 57th Street store in New York and the Summer 2025 and Winter 2025 fashion shows in London.	During FY 2024/25, we renewed our focus on outerwear and scarves, which are core product categories for Burberry, through the 'It's Always Burberry Weather' campaign. Although in the early stages of the transformation, there is some evidence of a positive response from our customers.
Shareholders Through our Group's strategy, we are creating long-term sustainable value for our shareholders.	By investing in Burberry, our shareholders ensure our Company's ability to trade and plan for the future. We are open and transparent with our shareholders about our business and its strategy, which allows them to make informed decisions.	We engage directly with shareholders through quarterly trading updates, results presentations, investor meetings and the Annual General Meeting (AGM). Board members attend investor meetings and results presentations and shareholders have the opportunity to engage directly with the Board at the AGM. The Board reviews all major shareholder communications and receives regular updates on matters of interest to investors.	During FY 2024/25 Non-Executive Directors held 47 meetings with investors in addition to investor meetings with Executive Directors and other members of the senior management team. Investor concerns have been considered by the Board when approving the key decisions set out on page 115. Further details on shareholder engagement can be found on page 111 of the Corporate Governance Statement.

Stakeholder	Why we engage	How we engage	Example outcomes of the engagement
People We want our people to thrive at Burberry and are committed to attracting and retaining the best talent for our business.	Our people are creative and highly skilled in their respective fields. As Burberry's greatest asset, we are committed to their development. Ensuring our workforce is engaged and motivated is an important driver for our business. Supporting their wellbeing, enhancing their skills and training, and representing their voices through our diversity, equity and inclusion agenda are key priorities.	In addition to all colleague surveys, in FY 2024/25 the CEO led seven global town halls for colleagues. The Global Workforce Advisory Forum (WAF) also provides an opportunity for Non-Executive Directors to hear directly from employees; more detail can be found on page 111.	The results of colleague engagement have led to the development of the Reigniting a High-Performance Culture pillar of Burberry Forward. Colleagues have shown appreciation for the increased communication and transparency. Feedback from colleagues led to a greater focus on learning and development through our new digital learning platform.
Partners We collaborate with a wide range of partners, including suppliers, companies and retail third parties.	Working collaboratively with our partners allows us to share knowledge and expertise while exploring opportunities for innovation. We nurture close relationships with members of our supply chain to drive social and environmental improvements for our communities.	The Board receives briefings and updates on how we are engaging with our partners to achieve our sustainability targets and updates on ethical audits across our supply chain.	Our long-term partners support our focus on core categories, driving operational efficiency and lowering our environmental and social impact. We continue to explore opportunities to develop products using innovative and responsibly sourced raw materials, and expanding our circular business models.
Governments Governments have wide-ranging influence on matters which impact Burberry, including the long-term retail environment, employment laws, trade, environmental and social priorities, tax and other business matters.	Engaging with governments in the countries and territories where we operate supports Burberry's ability to perform as a business. We endeavour to understand their concerns and raise our own so we can seek solutions to shared environmental, social, economic and governance issues.	The Board is briefed on engagements with governments throughout the year as well as key matters, including economic, trade, investment outlook, VAT, workplace regulations and the evolving environmental and climate change regulatory landscape to ensure readiness for implementation.	We continue to communicate with governments on key issues and solutions, for instance, participating in round tables, providing evidence for consultations and industry partners.
Communities Burberry is committed to being a responsible business and supporting our communities.	Our Company is open and caring, and we strive to support our communities. Through The Burberry Foundation (UK registered charity number 1154468) and its flagship Burberry Inspire programme, we are driving positive change in our communities and helping to build a more sustainable future for young people.	The Board approves the budget for charitable donations, including to the Burberry Foundation. The Board also receives updates on how Burberry is supporting communities as well as opportunities to support local projects and organisations.	Through our expanded Burberry Inspire programme, we supported the launch of the Young Leaders programme, which positively impacts the lives of young people. We also provided employee volunteering opportunities connected to our communities. Burberry is supporting the transformation of the Fashion Gallery at the V&A as part of a multi-year partnership uniting two icons of British culture.

5. Value chain

Our Burberry Beyond strategy addresses sustainability-related impacts, risks and opportunities across our value chain. The visual below breaks down our value chain in more detail.

	Tier	Tier name	Tier scope	Example facility or process
Upstream value chain	TIER 4	Raw material producers	Extraction and production of raw or semi-raw materials	• Raw material extraction • Agriculture/farming • Mechanical fibre processing (for example, ginning, which is the process of separating cotton fibres from cotton seeds)
	TIER 3	Raw material processors	Treatment of fibre or yarn	• Spinner (yarn supplier) • Fibre dyer or scourer • Unfinished leather supplier
	TIER 2	Raw material suppliers	Raw material processes	• Trim supplier • Fabric supplier • Finished leather supplier • Weaver • Converter
	TIER 1	Finished goods suppliers	Manufacturing of finished products	• Factory where the cutting, sewing and finishing of a garment occurs, including internal manufacturing
Own operations	TIER 0	Company-managed assets	Physical sites operated by Burberry	• Offices • Retail stores • Distribution centres/hubs/local fulfilment centres (LFCs)
Downstream value chain		Retailing and distribution	Distribution, marketing and purchasing of products	• Customers • Sales channels (licensees, franchises, wholesalers)
		Use-phase	Consumer use of products	• Customer care
		End of life	Product end-of-life phase	• Prevent, reduce, reuse, recycle, disposal

ENVIRONMENTAL DISCLOSURES

Burberry's heritage is deeply connected to the outdoors and delivering on our environmental commitments is a key area of focus for our Company. The climate crisis, water security and biodiversity loss are significant challenges faced by businesses and society at large. Our ability to address these challenges will play an important role in Burberry's long-term success.

This section highlights how our Burberry Beyond strategy mitigates risks, realises opportunities and supports the management of our most significant environmental impacts and dependencies.

CLIMATE CHANGE

Introduction

Burberry has a longstanding commitment to addressing the impacts of climate change and is taking significant steps to advance our decarbonisation agenda. Our Scope 1, 2 and 3 emission reduction targets are aligned to a 1.5°C pathway and have been validated by the Science Based Targets initiative (SBTi).

Our targets support our climate-related risk mitigation and underpin our Company's approach to adapting to climate change, providing a framework for our decarbonisation efforts across the value chain.

This section contains our climate-related financial disclosures consistent with the Task Force for Climate-related Financial Disclosures (TCFD) recommendations and recommended disclosures, in compliance with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and UK Listing Rule 6.6.6R(8). Since FY 2019/20 we have reported on its four thematic areas: governance, strategy, risk management, and metrics and targets. This year, we updated our reporting to align with upcoming reporting regulatory standards and stakeholder expectations. This builds on our previous reports and describes our approach to scenario analysis, the results of the scenario analysis and the actions taken in response to these results.

The Burberry TCFD Basis of Reporting outlines how we have prepared the Financial Statements and disclosures, considering relevant TCFD guidance publications and the principles for effective disclosure. We have engaged EY as independent practitioners to provide a limited assurance statement in accordance with ISAE 3000 on our FY 2024/25 TCFD disclosures and specific sustainability data denoted with a ^. For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's TCFD and Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

Below is a TCFD index outlining where we have reported on all key disclosure requirements.

TCFD recommendations and recommended disclosures		Disclosure location within Annual Report 2024/25
Governance Disclose the organisation's governance around climate-related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities. b. Describe management's role in assessing and managing climate-related risks and opportunities.	Governance and management, pages 41 to 42
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term. b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning. c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Climate change, pages 47 to 59 Action sections in: Climate change, pages 56 to 57 Chemical management, page 61 Water conservation, pages 62 and 63 Biodiversity and ecosystems, page 65 Resource use and circular economy, pages 67 to 68
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks. b. Describe the organisation's processes for managing climate-related risks. c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	Risk Management and Internal Controls, page 42 Risk and Viability Report, pages 90 to 99
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks. c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Targets sections and Metrics sections in: Climate change, pages 55 and 56 and 58 and 59 Chemical management, page 61 Water conservation, pages 62 to 63 Biodiversity and ecosystems, pages 64 to 66 Resource use and circular economy, pages 66 to 71

Approach

Strategy

Climate change has been identified as a principal risk to Burberry and has the potential to impact our business in the short, medium and long term. Our strategy to address climate-related risks is integrated into our business strategy and decision-making in areas such as capital allocation, investment appraisal, supply chain planning and raw material sourcing.

Background to scenario analysis

Scenario analysis is a process for identifying and assessing the potential implications of a range of plausible future states under conditions of uncertainty. Scenarios are hypothetical constructs and not designed to deliver precise outcomes or forecasts.

Instead, scenarios provide a way for the business to consider how the future may look if certain trends continue, or certain conditions are met, and to assess Burberry's strategic resilience.

Climate-related risk scenario analysis is led by Sustainable Finance, with input from Supply Chain, Corporate Responsibility, Commercial and Finance teams across the business.

Our approach to scenario analysis

Our scenario analysis incorporates the Company's financial forecasts, operational footprint, supply chain information and environmental data to create a digital twin representation of the business. The product portfolio is modelled based on our strategy, with the Company's value chain being modelled using historical data. This information is combined with industry reference scenarios on climate emission pathways, including assessments by the Intergovernmental Panel on Climate Change and International Energy Agency, to consider the potential impact of physical and transition risks on the business.

Each physical and transition risk was modelled independently due to the complexity and uncertainty associated with measuring the interconnectivity of risks and how they influence each other. Planned future mitigating actions, including those to deliver our ambition to be net zero by 2040, have not been taken into consideration in the scenario analysis.

In addition, we have considered the risk that a market shock caused by transition to a low-carbon economy would impact the Company's cost of debt and how low-carbon innovations would devalue the Company's technology. We have concluded that these risks are not significant at this time due to the Company's cash position, focus on renewable energy consumption and absence of carbon-intensive machinery. We will continue to monitor and report on these risks.

Scenarios evaluated

The impact of physical and transition risks has been considered over a range of emission trajectories and global average temperatures. This is in line with the recommendations of the TCFD to select a set of scenarios that cover a reasonable variety of future outcomes, both favourable and unfavourable.

We have also included a low-emissions scenario aligned to the Paris Agreement aspiration to limit global warming to 1.5°C, as per the TCFD recommendation that organisations use a 2°C or lower scenario. These are defined below, alongside a summary of the potential global impact of physical and transition risks under these scenarios.

Our scenario analysis considers the impacts of both physical and transition risks:

	Physical risks	Transition risks
Definition	These are risks related to the physical impacts of climate change. They include both acute weather events, such as heatwaves and chronic long-term climate shifts, such as rising sea levels.	These are risks that may occur while transitioning to a lower-carbon economy, such as policy, market, reputation and liability risks. The level of risk depends on the nature and speed of the transition.
Timing of impacts	Acute physical risks are already occurring, and these are expected to happen more often and with greater severity. Chronic physical risks are more likely in the long term.	The timing of transition risks is uncertain, but they are more likely to occur in the short to medium term.

Physical risk Policy risk Market risk Reputation risk Liability risk

Time horizons considered

We have defined our time horizons as:

- short-term (five years)
- medium-term (five to 20 years)
- long-term (more than 20 years)

The time horizon used for our detailed scenario analysis is a short-term outlook of five years, during which we can influence decisions through strategy, capital allocation, costs and revenues. Typically, three years is used for our financial and operational planning, as this is sufficient to cover the majority of approved capital expenditure projects, and most current business development projects will be completed in this period.

Our viability assessment is also aligned to this time period, with going concern typically considered over 18 months. For the purposes of scenario analysis, we have extended the period to five years using a growth assumption, which more closely aligns with our expected asset lifetimes and strategic plans.

Furthermore, we have used our detailed five-year analysis to consider how climate-related risks may evolve over 10 years, to further guide the development of our climate strategy.

Results of our scenario analysis

The output of our scenario analysis considers the financial impact of climate-related risks on Burberry. This entails estimating the loss of value to the Company's discounted cash flows over the next five years assuming no mitigating actions are taken.

Overall, the results of our scenario analysis indicate that the physical and transition risks associated with climate change could impact the business in the short, medium and long term. The size of the impact will depend on the nature and speed of the global transition towards a lower-carbon economy and the level of uncertainty increases beyond a five-year horizon. In the short to medium term, the 1.5°C scenario would have most impact on Burberry before considering any mitigating actions, with Market risk being a key driver of the impact.

Transition risks are expected to be the most impactful in the short to medium term, continuing the trends our five-year scenario analysis identified, as they relate to events such as policies and market behaviour that are either current or anticipated to come into effect in the near future. Physical risks are expected to become most impactful in the long term, with the size of the impact dependent on the success of global initiatives to limit the repercussions of climate change.

These long-term physical risks may disrupt our supply chain and create operational challenges. Our commitment to procure certified or responsibly sourced raw materials and our continued focus on innovation are key to limiting this impact. We will remain agile and continue to monitor this risk, informed by the latest scientific understanding of climate change. We will also continue to consider and identify how the results of our scenario analysis may be utilised to inform future strategic planning where appropriate.

Average global temperature rise compared to pre-industrial levels by 2100

Scenario description	Global impact of climate-related risks over time	Average global temperature rise
The world takes immediate and substantial action in line with the Paris Agreement to lower emissions.	To limit global warming to 1.5°C compared to pre-industrial levels, collective global action will be needed. The nature and speed of the transition to a low-carbon economy are uncertain, but transition risks are more likely to occur in the short to medium term. By taking such collective action, the impact of physical risks occurring in the long term may be reduced.	1.5°C
The world partially implements policies to lower emissions with no further actions taken.	If limited global action is taken to tackle climate change and reduce GHG emissions, transition risks would reduce in the short term. However, inaction would increase the severity and frequency of physical risks in the long term.	2°C – 3°C
The world takes limited or no actions to limit emissions.	Without any global action at all, transition risks would be limited and the impact of physical risks would become even greater in the long term.	> 4°C

Detailed risk analysis

This section details the approach and results of our scenario analysis for each modelled risk. The financial impact reflects the estimated loss in the Company's discounted cash flows over the next five years, assuming no mitigating actions are taken. This impact has been categorised as 'High', 'Medium' or 'Low', reflecting materiality to the Company's Financial Statements. In FY 2024/25 we adjusted our financial impact thresholds to ensure the severity of risk impacts is appropriately reflected in the disclosure below.

Financial impact

Potential impact on Burberry's cumulative discounted cash flows over five years, assuming no mitigating actions are taken:

Low: (< £1 million – £20 million)	Medium: (£20 million – £100 million)	High: (£100 million – £200 million)

Our strategic response to the identified climate-related risks can be found within the Actions sections on pages 56 to 71 as indicated by the risk type icons.

Physical risk

Global emissions environment

Average global temperature rise compared to pre-industrial levels by 2100

	1.5°C	2°C – 3°C	> 4°C
Financial impact:	Medium	Medium	Medium

Timeframe for most significant impact: **long term**

How we modelled the risk

We quantified how extreme weather events and chronic changes in the climate might disrupt manufacturing and distribution of goods, damage assets and impact retail activities, leading to changes in consumption patterns. We also considered how chronic changes in climate may impact yields of key raw materials we use.

Potential areas of impact

An increase in the frequency and severity of acute weather events may impact raw material sourcing, disrupt operations and damage facilities. Facility disruption may result from an increased risk of tropical windstorms and floods in Asia as well as increased risk of droughts and heatwaves in Asia, Europe and the Americas.

The impact of physical risks will become more significant in the medium and longer term, particularly in the > 4°C and 2°C – 3°C scenarios. The impact of chronic physical risks, such as increasing global temperatures, will be particularly impactful over this time period.

Key assumptions

- Scenario analysis is based on our current asset base and value chain. Planned changes to our asset base and sourcing locations have not been taken into consideration in quantifying the five-year earnings at risk
- We have considered the extent to which financial impacts may be passed on to consumers. This has been assessed in line with expectations of market capacity for price increases and impact on net cash
- The model was updated in FY 2024/25 to capture a broader range of uncertainty in climate data

Policy risk

Global emissions environment

Average global temperature rise compared to pre-industrial levels by 2100

	1.5°C	2°C – 3°C	> 4°C
Financial impact:	Low	Low	Low*

Timeframe for most significant impact: **short to medium term**

How we modelled the risk

We quantified how the implementation of carbon pricing may result in increased costs associated with production, distribution and raw materials.

Carbon prices and projected changes in these have been considered at a country level.

Potential areas of impact

An increase in costs of production, distribution and raw materials in the short to medium term, with a higher carbon price required to achieve a lower temperature scenario.

* Under a > 4°C scenario there is potential for a minimal positive impact due to reversal of current carbon pricing policies.

Key assumptions

- Scenario analysis and quantification of the five-year earnings at risk does not take into consideration our actions to be net zero by 2040 and therefore assumes a growth in GHG emissions aligned to an average growth rate used in our product forecast
- GHG emissions are based on our assured FY 2023/24 footprint
- We have considered the extent to which financial impacts incurred may be passed on to consumers. This has been assessed in line with expectations of market capacity for price increases and impact on net cash. Global carbon prices used in the modelling are shadow prices, which are a measure of overall policy intensity and expected to increase on a straight-line basis over the period. The annual carbon price has been interpolated based on the final carbon price reached at the end of the scenario modelling period. The global average carbon prices reached by the end of our scenario modelling period are:
  - 1.5°C = USD 75 per tonne
  - 2°C – 3°C = USD 5 to USD 45 per tonne
  - > 4°C = USD 0 per tonne

Market risk

Global emissions environment

Average global temperature rise compared to pre-industrial levels by 2100

	1.5°C	2°C – 3°C	> 4°C
Financial impact:	High	Medium	Low

Timeframe for most significant impact: **short to medium term**

How we modelled the risk

We quantified how shifts in consumer preferences towards more sustainable and less carbon intensive goods may impact demand for our products.

Consumer preference shifts have been considered at a country level.

Potential areas of impact

A shift away from products constructed using less sustainable raw materials, including animal-based products, towards organic, regenerative or recycled fabrics. This shift is expected to happen in the short to medium term, and more quickly in geographical regions where public attention on sustainable materials used to produce clothing is greater, such as Europe and North America. The shift will be more apparent in a lower-temperature scenario, which assumes that a higher proportion of consumers will adopt more sustainable choices.

Key assumptions

- Consumer perception of Burberry products is assumed to be linked to the carbon footprint of sourcing raw materials, production and distribution
- The model was updated in FY 2024/25 to align consumer perception across all scenarios in year one of the analysis
- Scenario analysis is based on Burberry's product strategy and revenues, aligned with its updated strategic vision and projected raw material usage
- We have considered how shifts in consumer preferences may impact operating margin and net cash. This has been assessed in line with our current cost structure

Reputation risk

Global emissions environment

Average global temperature rise compared to pre-industrial levels by 2100

	1.5°C	2°C – 3°C	> 4°C
Financial impact:	Low	Low	Low

Timeframe for most significant impact: **short to medium term**

How we modelled the risk

We quantified how climate activism due to negative perception of our climate impact and strategy may result in reputational damage, disruption to spending patterns and loss of revenue.

Society's opinion with respect to the threat of climate change has been considered at a country level.

Potential areas of impact

Society may engage in climate activism in the short to medium term with companies perceived as less sustainable being targeted, resulting in decreased revenue and reduced market share. Despite minimal shifts in consumer preferences in the short term under a > 4°C scenario, a section of society may engage in general activism against organisations due to their inaction in relation to climate change, resulting in disruption and lost revenue.

Key assumptions

- Scenario analysis is based on Burberry's product strategy, aligned with its updated strategic vision
- We have considered the extent to which financial impacts may be passed on to consumers. This has been assessed in line with expectations of market capacity for price increases and impact on net cash
- Scenario analysis uses a performance percentile to benchmark Burberry against its wider industry in terms of GHG emissions

Liability risk

Global emissions environment

Average global temperature rise compared to pre-industrial levels by 2100

	1.5°C	2°C – 3°C	> 4°C
Financial impact:	Low	Low	Low

Timeframe for most significant impact: **short to medium term**

How we modelled the risk

We quantified how perceptions regarding involvement in climate-change-driving activities, sustainability claims and failure to transition the business towards a low-carbon future could lead to increased operating expenses through litigation.

Potential areas of impact

Potential operating expenses may arise from fines, settlements and legal costs in the short to medium term.

Key assumptions

- Historical precedents and recent climate-related litigation trends were utilised in modelling the potential impacts of climate change litigation on Burberry

Opportunities

In addition to climate-related risks quantified through scenario analysis, Burberry continues to identify and act upon climate-related opportunities aimed at supporting the Company's overarching net zero ambition. The Sustainability Committee plays a pivotal role in identifying, prioritising and realising climate-related opportunities. The Committee receives pertinent opportunities from internal teams working on the environmental agenda, which are then evaluated for feasibility and potential impact, as well as their alignment with key priorities.

Examples of such climate-related opportunities are summarised below.

TCFD opportunity area	Opportunity description	Actions taken to realise opportunities	Time horizon of impact
Resource efficiency	Use of more efficient production and distribution processes	Work is ongoing to replace gas boilers at our UK internal manufacturing sites with more efficient electric boilers.	Short/medium term
		We work closely with other brands as part of the Corporate Water Leaders group, a global network of working groups dedicated to solving industrial water challenges and furthering water stewardship.	Short/medium term
	Move to more efficient buildings	Improved building efficiency through obtaining LEED Gold certification in 28 additional stores and BREEAM Excellent certification at one additional location, making a total of 134 certified sites since FY 2018/19.	Short/medium term
Energy source	Use of lower-emission sources of energy	100% of the electricity we consume is matched by an equivalent amount of renewable generation, sourced from renewable tariffs or Energy Attribute Certificates, or generated through on-site renewables.	Short term
		We continue to monitor our real-time electricity consumption to identify and act on anomalous consumption patterns before they have a significant impact, and to drive energy efficiency across our retail sites.	Short term
Products and services	Development and/or expansion of low emission goods and services	In November 2024, we released an exclusive childrenswear capsule made from surplus fabric and yarns from our previous collections. Outerwear pieces featured a label with room for multiple owners to write their names, further reinforcing the circular theme of the collection.	Short/medium term
		We offer Trench, Cashmere and Leather Refresh services globally and continue to expand these initiatives.	Short/medium term
		The Corporate Responsibility team works closely with the Buying and Product Development teams to embed sustainability opportunities into seasonal merchandise plans.	Short/medium term
	Development of new products or services through research and development and innovation	Our Material Innovation team leads on identifying and developing innovative materials that will help decarbonise our business. In October 2024, we launched a scarf made with a blend containing Brewed Protein™. Developed by biotech start-up Spiber Inc. and fermented from plant-based ingredients, Brewed Protein™ has lower GHG emissions, as well as reduced water and land use, compared to traditional animal-derived materials, such as cashmere.	Short/medium term
Resilience	Participation in renewable energy programmes and adoption of energy efficiency measures	As a member of The Fashion Pact, we collaborate with peers to support our European suppliers to transform energy use at their facilities through the European Accelerator Programme. The programme focuses on improving data collection, guidance on best practice and financing decarbonisation.	Short/medium term
	Resource substitutes/ diversification	We continue to expand our traceability programme to enable us to better identify risks and opportunities associated with our raw material supply chains.	Short/medium term

Summary of response to scenario analysis

At Burberry, we believe our long-term success depends on actively addressing the potential impact of climate-related risks and adapting to potential opportunities. As such, we have adopted strategies and actions to mitigate these risks and ensure our strategy adapts to the potential opportunities. Where such actions have quantifiable investments associated with them, these are embedded within our Board-approved financial plans, which are translated into annual budgets.

We have also considered the impact of climate change in the preparation of our Financial Statements, which can be found on page 166. As the scientific understanding of climate change and availability of data evolves, we expect greater rigour and sophistication in the approach to scenario analysis. We aim to continue developing and updating our scenario analysis to support our assessment of the resilience of our business strategy to climate-related risks and ensure relevant mitigating strategies are in place.

Details on targets and metrics aligned to the identified climate-related risks can be found within the Targets and Metrics sections on pages 55 to 71 as indicated by the risk type icons.

Policies

Our Global Environmental Policy establishes Burberry's commitment to reducing climate-related risks and preventing or minimising any potential negative impacts on the environment along Burberry's value chain. The policy applies to all Burberry operations, and compliance is mandatory for all Business Associates. Business Associates include any individual, entity, business or company associated with Burberry, including supply chain partners who carry out any processing or provide any goods directly or indirectly supplied to Burberry.

Burberry engages key stakeholders, including industry partners, government bodies and NGOs, in setting and implementing the policy effectively. Regular training and communication are key aspects of our environmental programmes. Business Associates must appoint senior management responsible for compliance and ensure their subcontractors adhere to the policy.

The policy is made publicly available on Burberryplc.com and shared with employees, contractors and new Business Associates during their onboarding as part of their contractual compliance obligations.

The CEO, as an Executive Director on the Board, is accountable for policy implementation, with oversight from Burberry's Ethics Committee.

Targets

Our emissions reduction targets are aligned to a 1.5°C pathway and have been validated by the SBTi against their Corporate Net-Zero Standard.

Our methodology for measuring progress towards our emissions targets is aligned with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. Further details on our GHG accounting methodology can be found in our Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

We actively monitor changes to external guidance and standards for corporate emissions targets, from bodies such as the SBTi and ISO, and we will continue to evolve our targets as required.

Net zero

Reach net zero GHG emissions across our value chain by FY 2039/40.

FY 2024/25 performance

In FY 2024/25, we continued to make meaningful progress towards our net zero by 2040 target, with sustained reductions across Scope 1, 2 and 3 GHG emissions. Our approach to decarbonisation is to maximise absolute reductions through effective energy efficiency and carbon reduction projects, before compensating for any residual emissions through high-integrity and certified carbon credits in line with the SBTi's Corporate Net-Zero Standard.

Scope 1 and 2

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

FY 2024/25 performance

In FY 2024/25 we achieved a 93.7% reduction from our FY 2016/17 baseline. Our continued progress towards our target reflects a year-on-year decrease in Scope 1 and 2 emissions of 6%. This was achieved through reductions in gas consumption across several Burberry sites, because of warmer winter temperatures, energy efficiency measures and the replacement of gas boilers at our UK internal manufacturing sites.

Scope 3

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

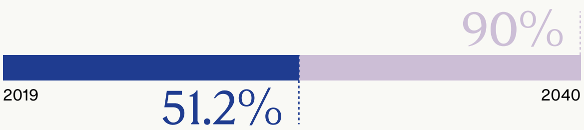
FY 2024/25 performance

In FY 2024/25, our Scope 3 GHG emissions decreased by 9.8% from FY 2023/24 and by 51.2% from our FY 2018/19 base year, against which we are measured for our 2030 and 2040 science-based targets. While we are making progress in reducing our emissions, our Scope 3 performance continues to be largely determined by the volume and mix of products we produce. As our product strategy evolves as part of Burberry Forward, we continue to undertake targeted interventions to address emissions hotspots across our value chain, ensuring that the level of our emissions reductions are maintained through to our FY 2029/30 target year.

Targets and progress

93.7% reduction in Scope 1 and 2 emissions since 2016/17

51.2% reduction in Scope 3 emissions since 2018/19



● FY 2024/25 performance ● Target

Actions

In FY 2024/25, we continued to focus on five key impact areas to drive action and progress against our net zero by 2040 target: 1) operational decarbonisation, 2) raw materials, 3) circularity and reducing product-related waste, 4) supply chain decarbonisation and 5) sustainable transportation.

1. Operational decarbonisation

Scope 1 and 2 emissions reductions

Our approach to operational decarbonisation is to maximise absolute reductions through effective energy efficiency and carbon reduction projects. While we previously compensated for residual Scope 1 and 2 emissions through high-integrity and certified carbon credits, we ceased this practice in FY 2024/25, focusing instead on investments which drive absolute reductions.

In FY 2024/25, we maintained the progress made in previous financial years, with 100% of the electricity we consumed matched with an equivalent amount sourced from renewable tariffs and Energy Attribute Certificates, or generated through on-site renewables, including solar panels installed at select sites in the UK, Italy and the USA.

In conjunction with our use of renewable electricity, we are focused on delivering emissions reductions through energy efficiency and have targets in place for our hubs, LFCs and internal manufacturing sites. In FY 2024/25, our total energy consumption decreased by 39.4% from a FY 2016/17 baseline and by 6% from FY 2023/24. Energy-related investments continued at our manufacturing site in Keighley, including the partial removal of gas heating, alongside window and lighting upgrades to improve energy efficiency and reduce heat loss. In addition, an energy audit was undertaken at our manufacturing site in Italy, Burberry Tecnica, to identify improvements in managing the heating and cooling systems using temperature boundaries to align more closely with operational timings.

Delivery of our Scope 1 and 2 emissions reduction target continues to be supported by ensuring our buildings meet high energy efficiency standards. In FY 2024/25, we obtained the LEED Gold certification in 28 additional stores and the BREEAM Excellent certification at one more location, making a total of 134 certified sites since FY 2018/19.

2. Raw materials

Raw materials targets

We continue to progress our target of 100% of key raw materials in our products being certified or responsibly sourced by FY 2029/30 (as defined in our Sustainable Raw Materials Portfolio). Among other benefits across our strategy, this drives down the carbon intensity of products using these materials. See page 66 for more details on progress to date. While we work to reduce the relative intensity of our existing materials, we are also investing in expanding our portfolio by exploring innovative alternatives.

Textile innovation

Through textile innovation, Thomas Burberry elevated outerwear performance and enhanced its ability to protect explorers from the elements. Today, we continue to create innovative products that inspire and protect our customers.

In FY 2024/25, we introduced a scarf made with a blend containing Brewed Protein™. Developed by biotech start-up Spiber Inc. and fermented from plant-based ingredients, Brewed Protein™ has lower GHG emissions, as well as reduced water and land use, compared to traditional animal-derived materials. Comprising 62% wool, 8% cashmere and 30% Brewed Protein™, the resulting scarf maintained the attributes associated with Burberry products, namely luxury, quality, warmth, protection and durability.

Innovation is required across each stage of a material's life cycle, and the need for increased circularity is recognised throughout the fashion industry. For example, we are working closely with our Innovation and Sustainable Manufacturing teams to identify suitable textile-to-textile recycling solutions.

Participation in industry-wide Life Cycle Assessment (LCA) studies

Known for its warmth, performance and high quality, cashmere is used in the creation of our iconic scarves. To better understand the impact of cashmere on our Scope 3 emissions, we are participating in a cross-industry LCA coordinated by the Textile Exchange. Through the collaboration, we aim to establish a scientifically rigorous method of assessing the environmental impact of cashmere production. Developing a practical methodology will be key to ensuring both feasibility and industry-wide applicability. For more details on our GHG emissions methodology, see our Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

3. Circularity and reducing product-related waste

Minimising excess materials and increasing material donations

We recognise the fashion industry's shared challenge with respect to the environmental impacts and carbon footprint of generating excess fabric and textile waste. In FY 2024/25, we engaged colleagues across Burberry to identify key levers to reduce the generation of excess fabrics. The exploration involved stakeholders from our Design, Merchandising, Product Development, Supply Chain, IT and Finance teams with the aim of improving inventory optimisation and identifying efficiencies across the value chain. As a result, a task force has been established to oversee the reduction and re-use of excess fabrics, co-sponsored by the Chief Product Merchandising and Planning Officer and Chief Supply Chain and Industrialisation Officer.

We continue to donate excess materials, including textiles, leather, yarns, trims and mannequins, to charities and design schools globally. In FY 2024/25, we donated over 120,000 metres of fabric. More information on our non-stock donations can be found on page 70.

Promoting circular business models

We also continue to trial new circular business models and evolve ReBurberry, which is a range of services, including our aftercare offer, which help extend the life of Burberry products. Part of our commitment to circularity, these efforts are a critical lever for the longer term decarbonisation of the business. See pages 66 to 68 for more information about circular business models.

In addition, details regarding efforts to reduce the environmental impact of packaging can be found on pages 68 and 69.

4. Supply chain decarbonisation

Engaging with supply chain partners

In FY 2024/25, we worked with our Tier 1 and Tier 2 supply chain partners to identify decarbonisation opportunities, including ways to increase energy efficiency, transition to renewable energy and phase out fossil fuels. Through this engagement we were able to reinforce awareness about our carbon reduction targets and emphasise the critical role our partners play in achieving them.

As a member of The Fashion Pact, we collaborate with peers through its European Accelerator Programme. The programme's aim is to enable more informed decision-making, with a focus on developing harmonised environmental data points covering energy, water and waste to ease the increasing reporting burden on suppliers while also improving access to quality primary data for brands.

5. Sustainable transportation

Reducing transportation and logistics emissions

In FY 2024/25, we focused on improving internal tracking measures for air freight. As a result of targeted interventions, we reduced the proportion of goods being transported by air freight compared to FY 2023/24. We will continue to focus on driving down both costs and emissions when utilising air freight.

Business travel reductions

We identified opportunities to strengthen our Travel Policy to maximise the efficiency of necessary travel, and increase the visibility of sustainability-related communications to employees at the point of booking. We saw a 61% reduction in emissions associated with business travel during FY 2024/25, and will continue working closely with our new travel partner to ensure that colleagues recognise the carbon impact of their journeys and can make informed decisions reflective of our Travel Policy.

Metrics

Total Scope 1, 2 and 3 GHG emissions

	FY 2024/25	FY 2023/24	FY 2022/23
Total Scope 1, 2 and 3 emissions (market-based) (tonnes CO_2e)	**371,399**	411,661	415,007
Scope 1, 2 and 3 emissions intensity (tonnes CO_2e per £1m sales revenue)	**150.9**	139	134

	FY 2024/25		FY 2023/24		FY 2022/23	
Scope 1 and 2	**Global**	**UK and offshore only**	Global	UK and offshore only	Global	UK and offshore only
Total energy including: purchase of electricity, the operation of any facility, combustion of fuel for facilities and vehicles/kWh	**51,647,269^**	**13,686,450**	54,735,836	15,402,415	56,262,614	15,518,973
Scope 1 – Combustion of fuel and operation of facilities (tonnes CO_2e)	**1,470^**	**845**	1,545	1,056	1,585	1,082
Scope 1 – Combustion of fuel from owned or leased transport (tonnes CO_2e)	**68^**	**2**	122	3	82	2
Scope 2 – Electricity purchased and used for operations (location based) (tonnes CO_2e)	**16,347^**	**1,782**	17,308	1,998	17,692	1,872
Scope 1 and 2 – Total emissions (location based) (tonnes CO_2e)	**17,885^**	**2,629**	18,975	3,057	19,359	2,956
Scope 2 – Electricity purchased and used for operations (market based) (tonnes CO_2e)	**0^**	**0**	0	0	0	0
Scope 1 and 2 – Total emissions (market based) (tonnes CO_2e)[1]	**1,538^**	**847**	1,667	1,059	1,667	1,084
Total emissions offset by Verified Emissions Reduction Certificates (tonnes CO_2e)	**0**	**0**	1,667	1,059	1,667	1,084
Scope 1 and 2 intensity (location-based) (tonnes CO_2e per £1,000,000 sales revenue)	**7.27**	**N/A**	6.4	N/A	6.3	N/A
% of energy and electricity consumption (kWh) sourced from renewable sources (%)	**84%^**	**66%**	84%	63%	84%	62%

Burberry applies an operational control approach to defining its organisational boundaries. Data is reported for sites where it is considered that Burberry has the ability to influence energy management. Data is not reported for sites where Burberry has a physical presence but does not influence the energy management for those sites, such as a concession within a department store. Overall, the emissions inventory reported equates to 98% of our net selling space square footage. Burberry uses the Greenhouse Gas Protocol (using a location- and market-based approach to reporting Scope 2 emissions) to estimate emissions and applies conversion factors from UK DESNZ (2024), and the International Energy Agency (IEA) (2024), according to geography. All material sources of emissions are reported. Refrigerant gases were deemed not material and are not reported. Market-based emissions globally and for the UK relating to purchased electricity within our operations (Scope 2) are stated as zero due to us procuring an amount of renewable electricity equivalent to 100% of our annual consumption. GHG emissions data reported is based on the period from 1 April 2024 to 31 March 2025. For the avoidance of doubt, the Company's financial accounting period is from 30 March 2024 to 28 March 2025. However, references to FY 2024/25 for the selected metrics included in the Sustainability section of Burberry's Annual Report 2024/25 refer to the period 1 April 2024 to 31 March 2025.

More information on our methodology can be found in our Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

1. Figure used to calculate progress against our Scope 1 and 2 science-based target.

^ This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

Energy – Own operations

Energy – Own operations	FY 2024/25	FY 2023/24	FY 2022/23
Total electricity (kWh)	**43,369,097**	45,977,503	47,332,576
Percentage of electricity from renewable sources[1]	**100%**	100%	100%
Total gas (kWh)	**8,035,291**	8,246,431	8,681,523
Total fuel from owned or leased transport (kWh)	**242,882**	369,636	248,515
Total energy[2] (kWh)	**51,647,269**	54,735,836	56,262,614
Percentage of energy from renewable sources	**84%**	84%	84%
Energy efficiency (energy relative to net selling space) (kWh)	**16.55**	16.32	16.26
Energy by facility type			
Internal manufacturing	**6,564,238**	7,009,228	6,540,272
Distribution centres	**5,628,024**	5,214,419	5,591,380
Stores	**33,387,491**	34,309,998	36,180,195
Offices	**5,824,635**	7,832,555	7,702,252
Total energy (facilities only – excluding energy from vehicles)	**51,404,388**	54,366,200	56,014,099
Number of stores with LEED or BREEAM certification[3]	**134**	105	72

1. Renewable sources includes on-site generation, green tariffs and energy attribute certificates.
2. Includes purchase of electricity, the operation of any facility and combustion of fuel for facilities and vehicles.
3. Accepted certifications: LEED (Platinum or Gold level), BREEAM (Outstanding or Excellent Level).

Scope 3

Scope 3	FY 2024/25	FY 2023/24	FY 2022/23	FY 2018/19 baseline
Cat 1: Purchased goods and services	**280,338**	314,688	314,750	621,110
Cat 2: Capital goods	**27,470**	26,440	29,834	34,074
Cat 3: Fuel – and energy-related activities (not included in Scope 1 and 2)	**4,233**	5,138	4,456	4,625
Cat 4: Upstream transportation and distribution	**42,044**	43,103	41,128	64,624
Cat 5: Waste generated in operations	**1,869**	3,574	3,337	11,443
Cat 6: Business travel	**2,937**	7,526	4,187	6,907
Cat 7: Employee commuting	**2,542**	1,490	1,427	4,784
Cat 9: Downstream transportation and distribution	**940**	901	3,117	N/A
Cat 12: End-of-life treatment of sold products	**317**	796	1,445	2,059
Cat 14: Franchises	**7,171**	6,338	9,659	8,917
Scope 3 total	**369,861^**	409,994	413,340	758,542
Scope 3 total (upstream)	**361,433**	401,959	399,118	747,567
Scope 3 total (downstream)	**8,428**	8,035	14,221	10,976

Note: Scope 3 categories not included are deemed not relevant to footprint and are excluded from target and reporting boundary.

More information on our methodology can be found in our Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

Energy – Supply chain

Energy – Supply chain	FY 2024/25	FY 2023/24	FY 2022/23
Percentage of Tier 1 supply chain partners using renewable electricity – Global	**72%**	70%	84.8%
Percentage of Tier 1 supply chain partners using renewable electricity – EMEIA	**86%**	93%	96.2%
Percentage of Tier 1 supply chain partners using renewable electricity – Asia Pacific	**38%**	33%	28.6%

^ This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

CHEMICAL MANAGEMENT

Introduction

We are committed to eliminating the use of hazardous chemicals across our supply chain and supporting the fashion industry to shift to zero discharge of hazardous chemicals. We aim to ensure the safety of our people and the products we create, while at the same time protecting the environment, by implementing best practices for pollution management across our supply chain.

This section covers our response to potential pollution impacts arising from supply chain activities. It also addresses the work we are doing to prevent and mitigate potential pollution risks, including the management of harmful chemical substances.

Approach

Our Chemical Management Programme ensures safer products, reduced exposure for supply chain workers and communities adjacent to our supply chain and cleaner water, air and soil in the environs of our production sites. To achieve this goal, we are committed to implementing, monitoring and continuously improving our Chemical Management Programme with the use of the latest guidelines from the Zero Discharge of Hazardous Chemicals (ZDHC) Roadmap to Zero, the Burberry Chemical Management Manual and the Burberry Product Restricted Substances List (PRSL).

Policies

Our Global Environmental Policy outlines our commitment to eliminate harmful chemicals and prevent environmental pollution across our supply chain. The chemical management requirements within our Global Environmental Policy are regularly reviewed to ensure latest guidelines are adopted by our supply chain partners. More details of our Global Environmental Policy can be found on page 55.

We believe promoting the safe use of chemicals in our supply chain will ensure safer products and reduce production-related air, water and soil pollution. Our policy requires partners to adhere to our Manufacturing Restricted Substances List (MRSL). This is aligned with the ZDHC MRSL with an addendum prohibiting all Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS). Additionally, we are committed to the implementation of the ZDHC Supplier to Zero (S2Z) programme across our supply chain, to ensure best practices in chemical management are adopted.

To monitor their effectiveness and to drive continuous improvement, we are also committed to adopting, monitoring and disclosing wastewater quality against the ZDHC Wastewater Guidelines (WWG); the results are published annually on Burberryplc.com. In addition, all of our supply chain partners must comply with our PRSL, which ensures the safety of our products through robust testing standards.

Targets

Eliminate hazardous chemicals

Our goal is to eliminate the use of hazardous chemicals across our supply chain.

We define annual targets for the implementation of our Chemical Management Programme requirements. These are in line with the three key pillars of the ZDHC Roadmap to Zero: Input, Process and Output. 'Input' targets relate to the MRSL conformity of chemicals used in our supply chain, 'Process' targets relate to the adoption of S2Z assessment requirements and 'Output' targets relate to the conformity of effluents against the ZDHC WWG. These targets apply to the timings of the financial year (1 April 2024 to 31 March 2025) and we seek to increase target levels each year based on the progress achieved in the previous financial year.

Targets are defined in terms of percentage of product units delivered by partners. Progress against set targets is reviewed monthly internally and quarterly with supply chain partners. Any deviations from the performance compared to the defined target is escalated to both business units and supply chain partners.

On a monthly basis, to report chemical management performance in our supply chain, we collect data related to MRSL conformance, S2Z achievement and wastewater test results from a dedicated ZDHC platform.

FY 2024/25 performance

In FY 2024/25, 91.5% of products were delivered by Tier 1 and Tier 2 supply chain partners who reported their chemical inventory conformance against the MRSL. Additionally, 93% of our Tier 1 and Tier 2 supply chain partners obtained S2Z certification. This is a 4.5% increase compared to the previous financial year, reflecting continuous improvements in the supply chain chemical management system. For a full detailed breakdown of our S2Z achievements in FY 2024/25, refer to the Metrics section on page 61.

During the financial year, our use of compliant chemicals and good chemical management practices on site resulted in a high level of conformity. In effluent, we achieved 98.8% compliance with the ZDHC WWG MRSL parameters, 96% with conventional parameters and 99.7% conformity with heavy metal requirements in the ZDHC WWG. These results represent 76% of our mapped wet processing partners across Tier 1 to Tier 3 who performed wastewater testing during FY 2024/25 in line with the ZDHC WWG, a 6% increase compared to the previous financial year.

Actions

1. Chemical Management Programme

Our Chemical Management Programme is applicable to all supply chain partners involved in the manufacturing of our products. We regularly monitor the implementation of requirements that are outlined in our Global Environmental Policy and our Chemical Management Manual across our supply chain. This includes setting and monitoring annual internal and external targets. We also conduct regular awareness sessions on our Chemical Management Programme to ensure our internal teams and supply chain partners are well informed with respect to our objectives and can implement requirements within the defined timelines.

Supply chain partners who use chemicals in the production process are required to report their chemical conformance against the MRSL at least quarterly. While we mandate our partners to improve their chemical conformance, we provide support for them to identify solutions to some of the challenges encountered in their manufacturing processes. We collaborate with formulators to explore alternatives to chemicals used in manufacturing processes with the aim of finding innovative high-performing options with augmented safety profiles.

We require our supply chain partners to assess their chemical management systems against the S2Z programme requirements. Further, we require our supply chain wet processing partners to perform wastewater testing in line with the ZDHC WWG. In November 2024, we published our annual wastewater testing trend analysis report (available on Burberryplc.com). This report outlines effluent testing carried out by Burberry's supply chain partners in FY 2024/25. In the event of a non-conformity against the ZDHC WWG, partners must conduct a Root Cause Analysis (RCA) and a Corrective Action Plan (CAP) to prevent reoccurrence.

2. Capacity building

Capacity building is a cornerstone of our Chemical Management Programme. With the support of external stakeholders such as ZDHC, chemical formulators and solution providers, we conduct knowledge-enhancing sessions for our supply chain partners to assist them in their chemical management journey. In FY 2024/25, we launched a supply chain collaborative learning community which enables our Tier 1 and Tier 2 partners to share best practices, addressing common challenges and improving their chemical management practices. Additionally, we require our supply chain partners to participate in ZDHC training programmes, as they serve as an enabler for enhancing their chemical management performance.

3. Joint implementation

Along with our luxury peers, third-party suppliers and external chemical experts, we have helped to shape the direction of the industry on the chemical management roadmap. Since 2014, we have been an active member of ZDHC and, in 2024, our chemical management implementation was recognised as 'Champion' for the fourth consecutive year, which is the highest attainable level in ZDHC's Brands to Zero Leader programme.

Metrics

Chemical management of supply chain partners

	FY 2024/25		FY 2023/24		FY 2022/23	
	Tier 1	Tier 2	Tier 1	Tier 2	Tier 1	Tier 2
Percentage of products delivered by partners who reported MRSL conformance[1,2]	**94%**	**89%**	80%	74%	–	–
Average MRSL conformance (by count of chemicals)[1,2,3]	**62%**	**73%**	54%	69%	–	–
Percentage of products delivered by partners assessed against the ZDHC Supplier to Zero programme requirements[1]	**96%**	**90%**	89%	88%	91%	82%
Percentage of products delivered by suppliers rated Level 2 (previously named Progressive Level) by the ZDHC Supplier to Zero programme requirements[1]	**86%**	**79%**	68%	57%	58%	46%
Percentage of product delivered by supply chain partners who have disclosed their wastewater testing as per the ZDHC WWG[4]	–	**76%**	–	70%	–	69%
Conformance to the ZDHC WWG MRSL parameters[4]	–	**99%**	–	99%	–	99%
Wastewater test reports with no MRSL detection[4, 5]	–	**39%**	–	39%	–	53%

1. Includes supply chain partners Burberry sources from directly. Does not include or apply to subcontractors.
2. Data collection began in FY 2023/24, therefore previous financial years are not available.
3. Conformant chemicals are those listed as such on ZDHC platforms. Other chemicals may not be registered, and conformance information is not readily available. Conformity applies to the entire facility's chemical inventory, and is not specific to Burberry production.
4. Applies to Tier 2 and their supply chain.
5. Wastewater conformity is a reflection of the entire facility's discharge, and is not specific to Burberry production.

WATER CONSERVATION

Introduction

We aim to conserve water across our own operations and value chain by working with our supply chain partners to promote water stewardship.

This section covers our Water Conservation Programme, which focuses on increasing resource efficiency, reducing our water impacts and increasing water resilience in our manufacturing operations.

Approach

Through our Water Conservation Programme, we expect our partners to improve their overall level of water resilience, particularly for those in areas of high water stress, defined as areas with high or very high risk of water availability, adversely impacting the ability to meet human or ecological demand for water.

Our approach to managing water-related risks involves mapping our Tier 1 to Tier 3 supply chain to identify facilities and areas of high water stress. We work with our partners to implement our Water Resilience Assessment, which acts as a roadmap to improve water management by promoting a better understanding of water demand, driving water efficiency and recycling, and encouraging greater disclosure. This assessment helps us identify potential hotspots, which are sites where water management levels are disproportionate to their levels of water intensity and risk.

We set targets to source more sustainable and certified raw materials, including organic and recycled, which can significantly reduce water impacts at the raw material extraction phase.

More information on our raw material targets can be found on page 64.

Policies

As part of our Global Environmental Policy, we commit to assessing the water risk in our value chain and regularly monitor our industrial and domestic water withdrawal, discharge and consumption, including source and destination information. We also commit to reducing water consumption across our own operations, and engaging partners through our Water Conservation Programme.

Our supply chain partners are required to ensure safe water, sanitation and hygiene at their facilities at all times and, in line with our commitments, assess the water risk of their facilities, and report and track their water withdrawal and discharge.

More details of our Global Environmental Policy can be found on page 55.

Targets

Addressing hotspots in our supply chain

We aim to have zero hotspots by 2030.

Our target supports our commitment to ensure our supply chain is water resilient.

To achieve zero hotspots by 2030, we work closely with our supply chain partners to perform their Water Resilience Assessment. As part of our Water Assessment, we assess three variables: basin status and risk (using the Water Risk Filter), sites' water intensity (absolute and relative, to understand dependency and potential impact on availability) and our partners' water management against best-in-class practices. These three variables help us identify potential hotspots.

To support our Water Conservation Programme, we also have internal targets for monitoring the level of water resilience in areas of water stress, including carrying out a water assessment of all supply chain partners considered to be high or very high in terms of physical water risk. We also set targets with respect to the collection of water inventory data related to main materials. This helps us to identify potential areas of improvement and support decision-making in terms of innovation.

FY 2024/25 performance

In FY 2024/25, two facilities were identified as hotspots among our direct partners, compared to the baseline year, FY 2020/21, where we identified five facilities. We monitor these partners quarterly to ensure improvements are made to change their hotspot status.

Actions

1. Water withdrawal accounting

In FY 2024/25, we continued to develop our water accounting methodology to encompass our wet processing manufacturing facilities, including subcontracted and upstream supply chain partners from Tier 1 to Tier 3. The identification of the volume of water withdrawn to manufacture our products will be the basis to better understand our impacts and dependencies and to manage our water-related risks. Our current focus for developing the accounting methodology is on facilities where there is material use of water involved in manufacturing processes. These include facilities carrying out wet operations, such as dying, finishing and tanning of leather. The information received from our updated accounting will enable us to identify facilities which are operating in higher water stress areas and support us in making informed decisions relating to our Water Conservation Programme and targets.

2. Capacity building within the supply chain

In FY 2024/25, 87% of products were delivered by direct Tier 1 and 2 supply chain partners assessed against our Water Conservation Framework. We have improved our resilience profile annually through partner engagement, capacity building and direct support. The percentage of products delivered by partners with low levels of water resilience (Red/Hotspot) decreased from 4% in FY 2023/24 to 3.5%, while the percentage of products delivered by partners with good levels of water resilience (Green/Excellent) increased from 48% to 59.5%. For partners identified as Red/Hotspot, action plans were requested and monitored on a quarterly basis to review the status of the actions and ensure progress.

3. Corporate Water Leaders

We are members of the Corporate Water Leaders (CWL), a global network of working groups dedicated to solving industrial water challenges and furthering water stewardship. The initiative is led by Global Water Intelligence (GWI). We are part of the Textile and Leather Group, which brings major brands together to pave the way for greater operational resilience and more environmentally sustainable business practices within the industry's global supply chain. In FY 2024/25, along with other brands in the Textile and Leather Group, we developed a Common Water Framework that outlines the key guiding principles for the fashion industry on water, while leveraging existing tools and initiatives. The framework aims to align and streamline increasing requirements from brands, thus reducing the reporting burden from the supply chain.

4. Extreme weather events mapping

In FY 2024/25, we started mapping, via a supplier survey, the occurrence and impact of extreme weather events in our value chain. Our aim is to raise awareness among our stakeholders and support strategies which help to prevent and mitigate water-related risks.

5. Raw material sourcing and innovation

We are also taking steps to mitigate our impacts and water-related risks at the raw material production phase of our value chain. Burberry's certified or responsibly sourced raw material targets (more information on page 64) aim to embed best practice environmental management, including minimising water impacts. For example, organic cotton typically requires less water for cultivation compared to conventional virgin cotton, so Global Organic Textile Standard (GOTS) and Organic Cotton Standard (OCS) certifications have been included in our Sustainable Raw Materials Portfolio to help us mitigate our water impact. We recognise opportunities lie in driving material innovation. By developing new materials and technologies to deliver high-quality fabrics we can at once reduce our environmental impact and deliver products with sustainability benefits. For example, in FY 2024/25, we trialled an innovative dyeing technology for polyester which does not use water. This technique represents an opportunity to help mitigate the risk of water stress by replacing conventional dyeing technology.

Water assessment of direct[1] supply chain partners

	FY 2024/25		FY 2023/24		FY 2022/23	
	Tier 1	Tier 2	Tier 1	Tier 2	Tier 1	Tier 2
Supply chain coverage	**88%**	**86%**	86%	80%	81%	86%
Green/Excellent	**64%**	**55%**	45%	51%	28%	46%
Amber	**23%**	**25%**	40%	23%	44%	28%
Red/Hotspot	**1%**	**6%**	1%	7%	10%	12%

Note: Figures are weighted based on the percentage of product units delivered by direct supply chain partners.

1. Includes supply chain partners Burberry sources from directly. Does not include or apply to subcontractors.

BIODIVERSITY AND ECOSYSTEMS

Introduction

We are committed to protecting nature and contributing to global efforts to tackle nature loss. The ongoing management of natural capital requires a concerted approach to protecting biodiversity and ecosystems across our value chain.

This section details our response to managing and mitigating nature-related impacts within our value chain.

Approach

To meet our commitment to protect biodiversity and ecosystems across our value chain, we continue to expand our assessment of our most material nature-related impacts, dependencies, risks and opportunities in line with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). We have conducted an initial biodiversity materiality assessment using the Materiality Screening Tool developed by the Science Based Targets Network (SBTN), which allowed us to identify material economic activities, linked commodities and associated pressures on nature. This assessment focused on 12 pressure categories, grouped by five nature-related issue areas. These issue areas are based on the drivers of nature loss defined by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) in the 2019 Global Assessment: land/water/sea use change, resource exploitation, climate change, pollution, and invasive alien species and other. This allowed us to conduct more detailed assessments and, using tools such as the WWF Biodiversity Risk Filter, we have increased our understanding of specific pressures on nature, status of nature and ecosystem dependencies related to our material direct operations.

To manage our material nature-related impacts, dependencies, risks and opportunities, we follow the SBTN Nature Action Framework (AR3T). The framework outlines measures that:

- Avoid and reduce negative impacts on biodiversity, and support restoration and regeneration practices so that the state of nature can recover; and
- Transform underlying systems to address the drivers of nature loss.

In particular, to reduce negative impacts on biodiversity, we ensure environmental considerations are factored into the decisions we take with respect to the design, sourcing and manufacture of our products, as part of our Product strategy. For example, we set a target for all key raw materials in our products to be certified or responsibly sourced by FY 2029/30, which is driven by our Sustainable Raw Materials Portfolio (available within our Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com). This portfolio sets out the accepted certification and responsible sourcing criteria across our raw materials. It is regularly reviewed to ensure credible sourcing criteria are included.

Policies

Through our Global Environmental Policy we are committed to assessing and reporting our biodiversity impacts, dependencies, risks and opportunities in line with best practice. Our marketing campaigns and activities follow our Sustainability Principles for marketing and production. Furthermore, we require Business Associates to undertake action related to biodiversity and ecosystem protection, including compliance with all applicable nature protection legislation. More details of our Global Environmental Policy can be found on page 55.

Our work on raw material sourcing is guided by our Responsible Raw Materials Sourcing Policy. This policy (available on Burberryplc.com) outlines our requirements for Business Associates and colleagues, as well as our commitments to ensuring that our materials are sourced in a responsible way that respects human rights and minimises negative environmental impacts. The policy also specifies our requirements with respect to packaging, animal welfare and testing.

Targets

Raw materials sourcing

100% of key raw materials in our products to be certified or responsibly sourced by FY 2029/30 (as defined in our Sustainable Raw Materials Portfolio)[1].

FY 2024/25 performance

In FY 2024/25, 84%^ of key raw materials in our products were certified or responsibly sourced (as defined in our Sustainable Raw Materials Portfolio). During the financial year, six key raw materials (cotton, synthetics, including polyester, nylon, TPU, PU, leather, wool, down and feather and viscose) were included in the scope of our target, representing over 90% of the total volume (in weight) of materials within our products.

More details of our target calculation methodology, including exclusions, can be found in our Sustainability Basis of Reporting FY 2024/25 available on Burberryplc.com.

Traceability of raw materials

100% traceability of key raw materials by FY 2029/30.

FY 2024/25 performance

Our traceability target to FY 2029/30 remains in place as a key enabler of our Burberry Beyond strategy. By leveraging a third-party traceability tool, we have successfully implemented a traceability project for cotton, wool and synthetics with our key suppliers. After having successfully concluded pilots in FY 2024/25, we have progressed into the scaling phase with our strategic supply chain partners.

1. Scope of the metric applies to all main materials and down filling, where more than 50% of the composition within the specific material is either cotton, synthetics including polyester, nylon, thermoplastic polyurethane (TPU) and polyurethane (PU), leather, wool, down and feather, or viscose.

^ This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

Supporting zero deforestation

We are committed to contributing to the sustainable management of natural forests and supporting zero deforestation across our products and supply chain by FY 2025/26.

FY 2024/25 performance

Progress towards our commitment to contribute to sustainable management of natural forests and zero deforestation is measured by our performance on certified or responsibly sourced viscose (see the Metrics section on page 66) and performance on our percentage of Forest Stewardship Council (FSC®)-certified paper-based packaging (see the Metrics section on page 69).

Actions

Managing our nature-related impacts, risks and opportunities means implementing actions following the AR3T approach.

1. Avoid and reduce

We continue to mitigate negative impacts on nature by managing the materials we source. We do not permit the use of any material listed as endangered on the International Union for Conservation of Nature and Natural Resources (IUCN) Red List of threatened species or considered endangered within a national border by an individual nation state. In addition, all animal and plant materials used by Burberry must be sourced in compliance with CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora). To monitor this, we closely collaborate with Procurement teams to guide decisions using risk assessment tools highlighted within TNFD guidance.

To reduce negative impacts on nature and biodiversity, we continue to increase our sourcing of more responsible raw materials, including recycled and organic materials, while also supporting regenerative agricultural practices. By doing so, we are also able to minimise water impacts, contribute to climate change mitigation efforts and ensure supply chain resilience for the future.

In FY 2024/25, we continued refining our responsible sourcing criteria to ensure they align to our ambition and industry best practice (see our Sustainable Raw Materials Portfolio in our Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com for details). We have made progress with respect to all key raw materials, or maintained 100% certification (see Metrics section on page 66 for more details).

In FY 2024/25, we maintained 100% of leather sourced from certified tanneries and 100% of down sourced from certified suppliers as a result of engagement between suppliers and our Sourcing teams. Organic cotton is also a driving force in this year's performance, particularly due to our iconic trench collection, which included gabardine made from 100% organic cotton. Recycled synthetics also played a significant role, driven by the expansion of our outerwear collection and heightened focus on performance materials.

To support the implementation of our raw materials targets, we delivered training to nearly 700 colleagues across the business, including teams involved in key stages of product development, raw material sourcing and internal manufacturing processes. We continue to explore developments to integrate next generation materials, including working with our Italian supplier to develop and trial the use of hydroponic cotton. This cotton is grown through soil-less farming in a vertical greenhouse, resulting in high-quality cotton produced with reduced water usage.

2. Restore and regenerate

Since 2021, Burberry has partnered with PUR to support 12 Responsible Wool Standard (RWS)-certified Australian wool farmers in adopting regenerative farming practices. The initiative focuses on improving soil health, biodiversity and pasture resilience through enhanced farm management. This in turn provides key learnings for how we can work to support regenerative principles within our sourcing.

Burberry continues to support the Hainan Net-Zero Project in collaboration with the Department of Forestry, the Hainan Bureau of International Economic Development and the Hainan Reform and Development Research Foundation. This initiative is dedicated to ecological conservation and restoration efforts across Hainan, China, with a particular focus on preserving the island's tropical rainforests, mangrove ecosystems and diverse habitats. Over the past two project years, this collaboration has led to significant progress in ecological restoration. In the Wuzhishan area, approximately 3 million square metres of tropical rainforest were restored. Meanwhile, in Chengmai County, 53,333 square metres of new mangroves were planted and around 2 million square metres of existing mangrove ecosystems were restored. The project is in its third year and will continue to support ecosystem conservation in Hainan Province.

3. Transform

We recognise the importance of collaboration to drive coordinated action to protect and restore nature and biodiversity. Burberry is also a signatory to The Fashion Pact and supports its objectives focusing on actions relating to safeguarding the planet. Through The Fashion Pact's 'Unlock' programme, we support the development of a system to create incentives for cotton farmers to shift to lower climate impact cotton farming practices. We have also supported The Fashion Pact's work on enabling joint action towards deforestation and conversion-free fashion supply chains. This collaboration involves identifying fashion-relevant areas of key deforestation and natural ecosystem conversion and the identification of opportunities for the industry to act collectively.

In FY 2024/25, Burberry also became a member of the steering committee for the Nature and Biodiversity Peer Group. With more than 300 peers from over 250 organisations, the aim of the group is to connect peers through regular meetings and enable the sharing of experiences and best practice, with a view to opening opportunities for collaborative projects.

Metrics

Certified or responsibly sourced key raw materials

	FY 2024/25	FY 2023/24
Percentage of key raw materials in our products certified or responsibly sourced (as defined in our Sustainable Raw Materials Portfolio)	**84%^**	55%
Percentage of certified or responsibly sourced cotton	**97%**	56%
Percentage of certified or responsibly sourced synthetics (nylon, polyester, PU and TPU)	**84%**	53%
Percentage of certified or responsibly sourced viscose	**100%**	100%
Percentage of certified or responsibly sourced wool	**58%**	27%
Percentage of leather from certified tanneries	**100%**	100%
Percentage of certified or responsibly sourced feather and down	**100%**	100%

Note: Scope of the metric applies to all main materials and down filling, where more than 50% of the composition within the specific material is either cotton, synthetics (polyester, nylon, TPU, PU), leather, wool, down and feather, or viscose. These materials are defined as key as they make up over 90% of the total volume (in weight) of main materials within our products. More details of our target calculation methodology including exclusions can be found in our Sustainability Basis of Reporting FY 2024/25 available on Burberryplc.com.

Key raw materials	Percentage of product by volume		
	FY 2024/25	FY 2023/24	FY 2022/23
Cotton	**48%**	44%	50%
Synthetics (nylon, polyester, PU and TPU)	**24%**	24%	15%[1]
Viscose	**0.2%**	0.5%	0.45%
Wool	**10%**	10%	9%
Leather	**7%**	10%	10%
Feather and down[2]	**3%**	2%	7%

Note: Percentage of product by volume refers to the percentage of total number of products containing the commodity as a main material. Only raw materials with FY 2029/30 certification targets, as of FY 2024/25, are included in this table. This means that the aggregate percentage of all materials referenced does not equal 100% of product volume.

1. TPU was excluded in FY 2022/23.
2. Feather and down refers to the percentage of products containing feather and down filling as opposed to the percentage of products with feather and down as main materials.

RESOURCE USE AND CIRCULAR ECONOMY

Introduction

Circularity and minimising the environmental and social impacts of resource use within our value chain are a core part of our Burberry Beyond strategy. We are dedicated to reducing the impacts of our material and product use by scaling our circular efforts. We support efforts to drive a more circular economy.

This section details our work across our circular business models, packaging and waste.

1. Circular business

Approach

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

Targets

Embed circular business models

Continue to evolve our aftercare offer and trial new circular business models.

FY 2024/25 performance

By the end of FY 2024/25, 390 stores across 33 countries and territories offered one or more of our ReBurberry aftercare services. Over 37,500 products were repaired or refreshed using these services during the year. The 12% year-on-year decrease is a result of changes to our calculation methodology, which resulted in personalisation services no longer being counted under aftercare services. For a detailed breakdown of our ReBurberry aftercare services, see page 68.

We also expanded our rental and resale initiatives in the UK and continued our remake trials (see details in the Actions section on page 67).

^ This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

Actions

1. ReBurberry aftercare services

Our ReBurberry aftercare services help to extend the life of our products. In FY 2024/25, we expanded our aftercare services, Sneaker Refresh, Shoe Repair, Trench Reproofing, Canvas Cleaning and Leather Repair, across four new geographies: the United Arab Emirates, Canada, Italy and Taiwan Area, China. In addition, we launched rewaxing and repairs in the UK and expanded our Scarf Refresh service to include new fibre blends. We also onboarded 10 new service vendors to support our aftercare service network.

2. Rental

This year, we continued exploring alternative ways for customers to experience our products, including through rental partnerships and adapted product offerings. We continued our rental subscription partnership with Cocoon in the UK for bag rental. We also launched a new rental partnership with luxury fashion marketplace, HURR, in the UK, which focuses on renting our most iconic products: a selection of womenswear pieces, including trench coats and cashmere scarves.

3. Resale

During FY 2024/25, we continued our partnership with global luxury resale platform Vestiaire Collective in the UK and the USA. On the Burberry x Vestiaire Collective platform, customers can trade in women's outerwear, ready-to-wear, shoes and handbags as well as men's outerwear, in exchange for a Burberry gift card which can be used in store or online. Pre-loved Burberry pieces are available to purchase globally through Vestiaire Collective.

4. Remake

We expanded our cashmere upcycle service, which was launched in the UK in FY 2023/24, to the USA and Mainland China, enabling customers to repair their Burberry cashmere scarf with custom embroidery and darning. This service helps extend the life of the product while at the same time giving it a bespoke finish.

We also reinforced our commitment to supporting a circular economy through an exclusive childrenswear capsule made using excess raw materials.

5. Creative partnerships and education

We launched our first 'Reimagining Materials' competition in partnership with the London College of Fashion and its Centre for Sustainable Fashion. The competition reinforces Burberry's focus on circularity through design by using surplus materials. We challenged students to repurpose our materials in a creative and innovative way, providing them with an opportunity to gain first-hand experience of managing a real industry brief. Over 130 students applied, and we selected nine finalists and one winner. The winning student was awarded a cash prize and an internship at Burberry.

6. Trench Restored

We continue to celebrate our iconic trench coat and look for new and innovative ways to bring the trench to life for our customers. Our Trench Restored initiative sources trench coats from pre-1999, each one carefully authenticated, repaired, cleaned and reproofed in the Burberry factory in Castleford, Yorkshire. These collectable pieces feature a 'Proudly restored by Burberry' neck chain and come with custom-designed packaging, including a numbered swing ticket.

In FY 2024/25, we hosted a trench pop-up within Isetan department store in Shinjuku, Tokyo, with 100 restored trenches available to purchase. We also launched a ReBurberry pop-up at Selfridges in London, celebrating our shared commitment to circularity. The space offered customers the chance to discover repair, resell and customisation services, and explore second-hand and archive pieces, including a selection of restored trenches.

7. Supporting a more circular economy

We are working to support a more circular economy through our aftercare services and circular business models.

We are members of the Circular Fashion Innovation Network (CFIN) which is an industry-led programme steered by the British Fashion Council (BFC) and UK Fashion and Textile (UKFT). It supports and guides the creation of a circular fashion ecosystem in the UK. As part of this, we contributed to the 'CFIN Interim Report 2024: One Year of Convening, Listening and Testing'.

During FY 2024/25, we contributed to an industry-led Extended Producer Responsibility (EPR) Sandbox Project. With support from UKFT, the BFC and the British Retail Consortium (BRC), the project resulted in an industry-backed White Paper launched at the UKFT's Sustainability Conference in London. The paper's key findings emphasised the need for UK Government action to enable a more circular economy and create a variable EPR textile scheme that works for all.

Metrics

ReBurberry aftercare services

	FY 2024/25	FY 2023/24	FY 2022/23
Number of stores offering one or more aftercare services	**390**	383	>300
Number of countries and territories with stores offering one or more aftercare services	**33**	33	33
Number of stores offering Repair services	**382**	379	332
Number of stores offering Refresh services	**339**	312	146
Total number of products repaired using our aftercare offer	**34,950**	39,495	42,457
Total number of products refreshed using our aftercare offer	**2,685**	3,163	1,920
Breakdown of number of products repaired using our aftercare offer[1]			
Trench coats	**8,278**	9,525	10,662
Leather	**7,876**	9,127	9,385
Outerwear	**6,434**	4,550	5,509
Ready-to-wear	**10,079**	4,614	4,638
Scarves[2]	**345**	–	–
Footwear[2]	**702**	–	–
Other	**1,236**	10,997	12,263

1. Prior year data is not comparable to FY 2024/25 following an update in calculation methodology which excludes personalisation services.
2. Categories were included from FY 2024/25, therefore data for previous years is not available.

2. Packaging

Approach

Managing our use of plastic is key to reducing the environmental impacts associated with our products and operations. In FY 2024/25, we maintained our plastic-free consumer packaging[1] and we are committed to exploring lower impact alternatives across new packaging developments. We also aim to eliminate unnecessary plastics in our operational packaging and increase the use of fully recycled materials by FY 2029/30.

To track and monitor the origin of timber products used for packaging, we aim to ensure that all our packaging is FSC® certified. FSC® certification provides a globally recognised standard for responsible forest management, mitigating deforestation risks.

Policies

Our Global Environmental Policy provides detailed guidance to packaging suppliers on sustainable manufacturing practices regarding chemical and water usage, as well as Nature Protection Legislation, such as the EU Deforestation Regulation. More details on our Global Environmental Policy can be found on page 55.

In addition, our Responsible Sourcing Policy outlines our requirements for value chain partners and our commitments to responsible raw materials sourcing, including materials used for our business-to-consumer (B2C) and business-to-business (B2B) packaging. Our Responsible Raw Materials Sourcing Policy also includes a commitment to protecting endangered species' habitats, ancient forests, endangered forests and areas known for illegal logging.

1. Excluding Outlet consumer packaging. As part of our efforts to minimise waste and deplete existing stock of previous branded oak and pistachio packaging, we utilise existing stock in global outlet stores.

Targets

Consumer packaging

Eliminate plastic from our consumer packaging by FY 2025/26.

Eliminate plastic packaging

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

FY 2024/25 performance

As part of our packaging rebrand in FY 2023/24, we removed plastic from our consumer packaging[1] and we continued to use plastic-free alternatives in FY 2024/25. Our paper-based packaging is widely recyclable and in FY 2024/25, 98% of all paper-based packaging procured was FSC® certified.

In FY 2024/25, we increased our KPI threshold for plastic packaging from 20% recycled content to a minimum of 50% recycled content. This resulted in 87% of plastic packaging being made from a minimum of 50% recycled content. In addition, 87% of cotton used in our consumer packaging was made from a minimum of 50% recycled content.

Actions

1. Regulatory preparation

During FY 2024/25, we focused our efforts on preparing for upcoming regulations, including the Ecodesign for Sustainable Products Regulation (ESPR). This included creating a packaging material impact matrix to inform all future packaging developments and reducing the weight of B2C packaging without jeopardising quality and functionality.

2. Consumer packaging

To reduce resource use linked to seasonality, we have replaced seasonal check box wraps with a standard cotton ribbon made from 50% recycled cotton. We continue to offer a pared back consumer packaging option, with over 45% of digital consumers selecting this over signature gift wrapping in FY 2024/25.

Metrics

Packaging

	FY 2024/25	FY 2023/24	FY 2022/23
Percentage of plastic packaging made with a minimum of 50% recycled plastic	**87%**	86%[1]	82%[1]
Percentage of paper-based packaging procured that is FSC® certified	**98%**	96%	93%

Note: In order to calculate the percentages of recycled content and FSC®-certified paper-based packaging, we have relied on the accuracy of the information supplied to us by packaging manufacturers directly managed and/or nominated by Burberry regarding the packaging sold to Burberry. Figures are based on total spend on in-scope packaging, where the packaging is made entirely, or at least more than 50% by weight, from plastic or paper materials.

1. In FY 2023/24, we reported the percentage of plastic packaging made with a minimum of 20% recycled plastic. In FY 2024/25, we increased our KPI threshold for recycled plastic content from a minimum of 20% to a minimum of 50%. Therefore, previously reported data has been updated to reflect the new threshold.

1. Excluding Outlet consumer packaging. As part of our efforts to minimise waste and deplete existing stock of previous branded oak and pistachio packaging, we utilise existing stock in global outlet stores.

3. Waste management

Approach

We are committed to minimising resource use and reducing waste across our operations and supply chain in line with the waste hierarchy. This gives priority to waste prevention, followed by reuse, recycling and finally disposal. Our preferred approach is to avoid waste before it is created by designing and planning with circularity in mind. Where waste still occurs, we aim to maximise the proportion sent for reuse or recycling.

Policies

Our Global Environmental Policy sets out our commitment to minimise resource use and reduce waste across our own operations and supply chain in line with the waste hierarchy. This policy also commits us to quantifying, tracking and publicly reporting our waste and management progress.

More details of our Global Environmental Policy can be found on page 55.

Actions

1. Operational waste[1]

To minimise and reduce waste across our own operations in FY 2024/25, we diverted 100% of operational waste from landfill with an average recycling rate of 75% in our own operations (compared to 74% in FY 2023/24). We continue to implement waste segregation within our own operations, minimising contamination within the waste streams and maximising the volume that can be reused or recycled in line with the Burberry waste hierarchy. In FY 2024/25, nearly five tonnes of plastic from our polybags and hangers from all UK sites were recycled into new polybags and hangers as part of our ongoing closed loop project with an external partner.

In FY 2024/25, teams returned to our refurbished Horseferry House head office in London. As part of our efforts to improve office waste segregation and promote recycling among colleagues, we increased the number of bin types available and implemented clearer signage in all our UK sites. This aligns our locations with the Department for Environment, Food & Rural Affairs' new business waste regulation.

2. Non-stock waste

We continue to champion our Sustainability Principles to reduce the overall impact of marketing, events, visual merchandising and gifting. A key component of the Sustainability Principles is detailed guidance for extending the life of materials where possible, as aligned to our waste hierarchy. We prioritise internal reuse where possible, including giving props a second life. For example, we decreased window rotations through our Iconic Store Windows initiative, which aims to eliminate unnecessary set builds and reduce resource use for store fixtures. In FY 2024/25, we expanded the initiative from 62 stores in FY 2023/24 to 125 stores globally.

While we promote internal reuse of our visual merchandising across our store network and client events, we continue to foster creativity within our local communities through donations of props, furniture and materials. In FY 2024/25 we established a partnership with immersive theatre company Punchdrunk Ltd, with donations of 2,000 square metres of bespoke lilac carpets previously used in FY 2024/25 shows. Following our Harrods takeover in February 2024, we donated 1,600 metres of fabric and rope to Reloved Revolution, a creative re-manufacturing initiative working in partnership with people who have experienced homelessness, to upcycle materials into furniture.

In FY 2024/25, we also introduced a new volunteering concept for colleagues with our longstanding partner OnSide Youth. With a focus on fostering circular design principles, we donated materials such as plinths, decorative sculptures, flooring, roofing and upholstery samples to Legacy Youth Zone and OnSide West London for a 'Burberry Store Design Challenge'. The challenge saw young people design and pitch their own store concept to a panel of judges, guided by volunteer mentors from Burberry's Architecture team. Participants gained hands-on experience in applying design principles and architectural concepts to retail spaces, with the winning team receiving a trip to our Sloane Street store.

More information on our colleague volunteering programmes can be found on pages 82 to 85.

1. Operational waste consists of dry mixed recycling (cardboard, plastic, paper), confidential paper, general waste, organic waste, glass, wood and metal leftover materials.

3. Manufacturing

In FY 2024/25, we established our waste management programme with our supply chain partners, focusing on reducing production waste, including production losses, off-cuts and defective material, and reevaluating waste where it cannot be avoided.

The waste programme focuses on the following priority areas:

- **Reduction:** Our first priority is to prevent and minimise waste in manufacturing by enhancing material utilisation efficiency. In FY 2024/25, we performed a case study to analyse the root causes of inefficiencies in our processes and find opportunities by optimising current processes and exploring technologies capable of improving manufacturing efficiencies
- **Revaluing:** When waste cannot be prevented, we seek opportunities to repurpose it at the highest possible level in the waste hierarchy. This involves transforming manufacturing waste into valuable resources. For example, we are working closely with our internal Innovation team to identify suitable textile-to-textile recycling solutions
- **Mindset shift:** We aim to drive a zero-waste culture among internal and external stakeholders by raising awareness of waste's impact and its connection to other resources. We also aim to enhance processes to improve material utilisation efficiency and explore revaluation opportunities. This includes training programmes for supply chain partners

Metrics

Operational waste

	FY 2024/25	FY 2023/24	FY 2022/23
Percentage of operational waste diverted from landfill	**100%**	100%	99.5%
Percentage of average recycling rate in our own operations	**75%**	74%	71%

Note: Operational waste consists of dry mixed recycling (cardboard, plastic, paper), confidential paper, general waste, organic waste, glass, wood and metal leftover materials. The scope of this metric covers key UK and Italy operations, comprising Burberry's internal manufacturing facilities and distribution centre in Northern England, Burberry's head office, Burberry's office in Leeds, retail stores in the UK, Burberry's manufacturing site and distribution centres in Italy, as well as Burberry's distribution centres in Vineland and Shanghai.

Manufacturing waste

	FY 2024/25
	Tier 1
Total textile waste[1] (tonnes)	**760.5**
Textile waste diverted from disposal[2] (tonnes)	**359.3**

Note: Data for previous financial years is not comparable due to updates in the data collection and calculation methodology for these metrics.

1. Textile waste refers to production-related textile and leather waste.
2. Waste diverted from disposal refers to production waste that is prepared for reuse and recycling.

Textile donations

	FY 2024/25	FY 2023/24	FY 2022/23
Metres (m) of fabric donated[1]	**127,297**	362,000	468,000

1. Includes donations to a variety of global non-profit organisations, including the BFC, Leeds Beckett University and Progetto Quid.

SOCIAL DISCLOSURES

People, our direct colleagues and those in our supply chain, are at the heart of our business and operations.

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

This section highlights our commitment to diversity, equity and inclusion and the initiatives that not only safeguard the health, human rights and wellbeing of our people, but also enable us to make a positive impact on society.

OUR WORKFORCE

Introduction

Our purpose, Creativity Opens Spaces, articulates the core belief that has guided Burberry since it was founded in 1856: through imagination, innovation and ingenuity, we can push boundaries and open new opportunities for ourselves, our customers and our communities. Our purpose is supported by our values of being open and caring, creatively driven, forward thinking and proud of our heritage. Our values are intrinsic to Burberry and express who we are when we are at our best. Underpinning our culture, our values help to ensure that working at Burberry means entering an inclusive space where perspectives are shared freely, creativity is encouraged and employee development and wellbeing is prioritised.

Approach

During a year of transformation, our approach to our people has been defined by the Burberry Forward strategy and our objectives to organise for growth, strengthen our leadership, ensure that talent is at the centre of our efforts and help each colleague feel connected to our purpose.

Diversity, equity and inclusion remains essential to fulfilling our purpose. We believe that attracting diverse talent and fostering an inclusive culture in which all communities feel a sense of belonging enables greater creativity and innovation, increased collaboration and improved business performance.

Policies

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

Our Code of Conduct supports this commitment by outlining the key policies, processes and behaviours that colleagues must adhere to while following all local laws and regulations. Available in 14 languages, the Code enables our people to make informed, ethical and sustainable decisions, and acts as a daily guide for how colleagues and partners should behave and interact with one another. Included within the Code is our Burberry Confidential Policy, which protects both colleagues and external parties by providing them with an independent method of speaking up about serious concerns. Available in countries and territories where we are present and where it is legally permitted, Burberry Confidential is a global helpline available 24/7 online as well as via telephone.

We believe that fostering an inclusive culture enables us to better support our people and be more creative in everything we do, and our policies support this. Our Global Diversity, Equity and Inclusion Policy sets out global standards to ensure we are creating a culture that minimises barriers and creates more moments for colleagues to feel represented, listened to and celebrated throughout the business. We make reasonable adjustments for people with disabilities (including any colleagues who have become disabled) throughout their career at Burberry and ensure our online materials, policies and processes are inclusive of people with both visible and non-visible disabilities. For example, to support fair and objective performance management, we provide training and guidance for line managers that emphasises evaluating colleagues based on skills, capability and demonstrated performance. We also continue to work with external organisations, including the Business Disability Forum, to ensure that people with disabilities are equally considered. In FY 2024/25, we expanded our guidance on sexual harassment to further clarify what to look out for and how to use our reporting mechanisms.

Our Global Parental Leave Policy offers 18 weeks' paid leave for all employees with 12 months or more of continuous service, regardless of their gender. The policy is applicable to all colleagues who have responsibility for the care of a child, including a biological mother or father, an adoptive parent, guardian or step-parent. Similarly, our Bereavement Leave Policy supports bereaved parents, including foster, adoptive and intended parents, for both pregnancy loss and the loss of a child.

Our commitment to diversity, equity and inclusion

Our Diversity, Equity and Inclusion strategy underscores our commitment to living Burberry's values, and is underpinned by our belief that everyone at Burberry is responsible for bringing this commitment to life. By listening to, valuing and amplifying the voices of colleagues around the world, we ensure Burberry reflects the rich diversity of our people, our customers and our communities, and fosters a culture of true inclusion and belonging. The principles of our Diversity, Equity and Inclusion strategy are woven into our global colleague journey, from fostering an open and inclusive culture, to investing in global education programmes which encourage our people to be curious and challenge behaviours. In FY 2024/25, we focused our strategy on three key areas:

Accountability: Further to our participation in benchmarks including the FTSE Women Leaders Review and voluntary disclosure of ethnicity data in our annual Gender Pay Gap reporting, this pillar builds on our commitment to transparency and will drive greater data disclosure and governance.

Engagement: Building on our suite of learning tools this pillar continues the diversity, equity and inclusion learning journey of our global colleagues and will consolidate all groups into one Global Equity Council in FY 2025/26.

Systems: Alongside our Anytime Feedback platform and partnerships with organisations including The Outsiders Perspective and the Business Disability Forum, this pillar focuses on how we can leverage partnerships to better support representation and inclusion.

As we continue to enact our strategy, we recognise the importance of continually listening to colleagues and ensuring that we are aware of both their views and those of the world around us. With a prominent colleague and customer base in Asia, we launched a dedicated Asia Council in FY 2024/25, comprising 17 colleagues from across the continent. The Council's focus has been to share the scope and insights of what matters most in the region from a diversity, equity and inclusion perspective, and to explore how we can evolve our strategy to better support local needs, with cultural nuances in mind. We also continued to work closely with our global network of Employee Resource Groups (ERGs) to raise awareness and champion inclusion, as well as our Cultural Advisory Council to garner insights and offer an external lens to our initiatives.

Building awareness and allyship

Alongside our diversity, equity and inclusion training, we actively cultivate opportunities throughout the year to raise awareness among colleagues, encourage critical thinking and promote allyship. We believe that the most authentic and inclusive culture is fostered when our people are enabled to lead conversations on the issues that matter most to them. In FY 2024/25, colleagues hosted a number of events and discussions around key topics and calendar moments, including:

Disability

In December 2024, we celebrated International Day of Persons with Disabilities by hosting a talk with Yasmin Sheikh, Founder and Director of Diverse Matters and a renowned disability advocate. The talk discussed the importance of disability inclusion in business, the meaning of disability beyond stereotypes and the medical versus social models of disability.

Ethnicity

For UK Black History Month, we invited colleagues from across the business to participate in an In Conversation event to explore the importance of representation and why reclaiming narratives is empowering. We also hosted a virtual book club to celebrate Black authors and the power of storytelling.

Gender

As part of our International Women's Day celebrations, we hosted a webinar, 'Invest in Yourself, Uplift Others', with wellness expert Clare Kenny, exploring how to live in alignment with what matters to you and sharing practical tools to protect mental wellbeing. For International Men's Day we hosted an In Conversation event with our Vice President of Reward, and Cultural Advisory Council Member, Hussain Manawer, to discuss 'Men's Mental Health Champions' and how men can actively participate in educating young people about healthy masculinity.

LGBTQIA+

To celebrate Pride Month we organised a colleague-led panel about lived experiences and how we can support people of different sexual orientations throughout the year. We also invited a range of external speakers to discuss their experiences, inclusivity and allyship. This included Dave Wilkin, Founder of talent development platform Ten Thousand Coffees, Jacqui Rhule-Dagher, Founder of Legally Lesbians, and Jerome Yau, CEO of Aids Concern and Co-founder of Hong Kong Marriage Equality.

Growing our inclusive talent pipelines

We believe that our collective strength lies in the diversity of our backgrounds and experiences, and we continue to review our recruitment process to ensure it is fair and impartial. In addition to using tools like gender decoders, diversity data monitoring and standardised interview forms, we also continue to deliver 'Interviewing with Impact', a programme that supports hiring managers with best-practice interviewing and decision-making.

Our inclusive talent acquisition processes are supported by a range of talent partnership and sponsorship programmes, which help us to ensure that individuals from both underrepresented and minority ethnic backgrounds are given access to career opportunities at Burberry. These programmes include our creative arts scholarships with Central Saint Martins in London, our Stepping Stones Bursary Prize in partnership with The BRIT School, our ongoing partnership with The Outsiders Perspective, and our Burberry Inspire programme, which helps young people across the globe to build better futures.

In addition to the above programmes, we also continue to nurture talent by supporting institutions globally with Burberry Insights days and surplus material donations. A recent example includes our Burberry Saturday Club in partnership with the British Fashion Council and non-profit organisation, National Saturday Club. See below for further information.

Our commitment to fair and equitable pay practices

At Burberry, we are committed to paying our colleagues equally for work of equal value, and to providing all colleagues across the organisation with competitive total reward. As part of our reward reviews, we regularly undertake pay analysis to ensure we meet our commitment to pay all colleagues in line with their level and experience, and at a competitive and fair market rate.

We were also proud to be the first luxury retailer and manufacturer to achieve accreditation as a UK real Living Wage Employer by the Living Wage Foundation, and are dedicated to the promotion of the UK real Living Wage within our own operations. In April 2025, we again implemented a pay increase above the recommended real Living Wage increase.

Gender and Ethnicity Pay Gap reporting

Since 2017 and in line with regulations, we have reported gender pay gap figures annually for our UK employee population, which makes up about a third of our global workforce. For FY 2024/25, we also voluntarily reported ethnicity pay gap figures for the fourth consecutive year, reflecting our commitment to transparency and to creating lasting change by continually monitoring our progress. The gender and ethnicity pay gaps are distinct from equal pay, which is a comparison of the pay for men and women carrying out the same or equivalent roles. For FY 2024/25, we reported a median gender pay gap of 14.9%, a mean gender pay gap of 21%, a median ethnicity pay gap of 0.3% and a mean ethnicity pay gap of 12.3%.

As we strive to impact our pay gaps positively, we will continue to focus our efforts on creating opportunities for development as well as monitoring our progress with the support of industry reports and benchmarks. This includes the FTSE Women Leaders Review, which recognised Burberry for the seventh consecutive year as a top performer for women in leadership, and the Investing in Ethnicity Maturity Matrix, for which we were rated a Level 2 Star Employer for our commitment to creating a more inclusive and equitable workplace.

A Burberry Saturday Club

In March 2025, Burberry held its first masterclass in partnership with the British Fashion Council and National Saturday Club, a non-profit organisation. With a focus on engaging young people from disadvantaged backgrounds and underrepresented communities in the UK, the masterclasses aim to develop skills, encourage creativity and provide insight into future career pathways.

At a Fashion&Business Saturday Club hosted by The London College of Fashion, Burberry's Textile Design Team spoke to 18 young people aged 13 to 16 about the day-to-day responsibilities of a textile designer as well as their role in the wider creative process at a global luxury brand. To replicate the textile design process, the young people were set a group-based activity, which called on them to work collaboratively and create a mood board exploring a set theme.

Burberry's masterclass was one of a series of events which saw the British Fashion Council connect the National Saturday Club with industry professionals to help inform young people about further education choices and rewarding career pathways. The initiative's aim is to embolden young people to become the next generation of innovators and imaginative thinkers.

Metrics

Our workforce

	FY 2024/25	FY 2023/24	FY 2022/23
Total employee headcount in direct operations	**8,459^**	9,336	9,201
Percentage of employee headcount by significant operating location			
EMEIA	**51%^**	51%	50%
Americas	**14%^**	14%	15%
Asia Pacific	**35%^**	35%	35%
Percentage of employee headcount by business function			
Consumer	**13%**	14%	13%
Design	**1%**	1%	1%
Enabling[1]	**14%**	14%	13%
Retail	**55%**	55%	56%
Supply chain	**17%**	17%	16%
Percentage of employee headcount in each age category			
Under 30 years old	**21%**	25%	27%
Between 30 and 50 years old	**65%**	63%	60%
Over 50 years old	**14%**	13%	13%
Employee engagement score[2]	**69 points[3]**	74 points	75 points

Note: Data as of 31 March 2025.

1. Function that provides essential support services/activities that keep Burberry's core business running smoothly and efficiently, including Finance, Human Resources, IT, Legal and Facilities Management.
2. Our engagement score is derived from our colleague listening surveys conducted through the Microsoft Viva Glint platform. It is based on two key questions and reflects the average of voluntary responses.
3. Our FY 2024/25 annual employee Engagement Survey ran in October. The reduction in our score compared with the prior year reflects the challenges faced in the first half of FY 2024/25. However, following the launch of the Burberry Forward strategy in November, we continued to measure engagement and found that in general, colleagues showed increasing levels of optimism as the fiscal year progressed.

More information on our methodology can be found in our Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

Our workforce by gender

	FY 2024/25	FY 2023/24
All workforce	**8.459^**	9,336
Female	**67%^**	67%
Male	**33%^**	33%
Junior managers	**1,058**	1,142
Female	**63%**	65%
Male	**37%**	35%
Senior managers[1]	**414**	452
Female	**56%**	57%
Male	**44%**	43%
Leadership (Director and above)	**293**	331
Female	**58%**	57%
Male	**42%**	43%
Executive Committee	**9**	11
Female	**33%**	27%
Male	**67%**	73%

Note: Data as of 31 March 2025.

1. Senior managers as defined in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

More information on our methodology can be found in our Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

^ This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

Supporting inclusion

	FY 2024/25	FY 2023/24	FY 2022/23
Percentage of employees completing episodes of our online diversity, equity and inclusion learning journey:			
Episode 1 Mitigating Bias	**86%**	89%	90%
Episode 2 Allyship	**85%**	90%	96%
Episode 3 Microaggressions and Intersectionality[1]	**62%**	–	–

1. Episode 3 of our online diversity, equity and inclusion learning journey was launched in FY 2024/25. Therefore, it is not applicable to previous financial years.

Increasing representation

	FY 2024/25	FY 2023/24	FY 2022/23
Shortlists across recruitment campaigns[1]			
Female	**59%**	57%	60%
Male	**39%**	41%	38%
Other	**2%**	2%	2%

1. These values are based on candidates who choose to voluntarily disclose.

OCCUPATIONAL HEALTH AND SAFETY

Introduction

With a safety-first mindset, the global Health and Safety team aims to ensure the wellbeing of employees, customers, contractors and all those who visit our locations, by implementing measures to prevent accidents, injuries and ill health. This involves proactively identifying potential hazards, assessing risks and implementing effective control measures to support our teams across our global operations. Through our committees, communications, training and internal management standards, we empower our colleagues to support their own health, safety and wellbeing, aligning with Burberry's internal standards and local legal requirements in their place of work.

Approach

Aligned with industry best practice, we adopt a Plan/Do/Check/Act approach to managing health and safety at Burberry.

- Plan: We plan health and safety considerations into all our global activities. We set out our commitments to health and safety through the statement of intent within our Global Health and Safety Policy, with targets in place to continuously risk assess in order to improve health and safety standards across our operations
- Do: We put our health and safety risk reduction plans into action to mitigate or eliminate hazards using a hierarchy of controls. This includes training employees, implementing new safety procedures and making necessary changes to equipment or processes and preparing for emergencies
- Check: We continuously evaluate the performance of health and safety measures to determine whether they are effective and aligned with our established policies, objectives and goals. This involves tracking incident reports, conducting audits and safety inspections and collecting data on safety metrics
- Act: Depending on the outcome of our evaluations, we take proactive actions to improve non-compliance with safety standards, correcting unsafe conditions and rectifying procedural deficiencies. Where incidents occur, we have an investigation process which incorporates root cause analysis to identify any underlying causes of issues

Policies

We are committed to providing a safe and healthy environment for our colleagues, customers and anyone who visits or works on Burberry premises. Our Global Health and Safety Policy details the key processes involved in ensuring we maintain the highest standards of health and safety throughout our global operations. The policy is reviewed by all key stakeholders, renewed on an annual basis and contains an overarching statement of intent, signed and endorsed by the CEO. The policy is publicly available on Burberryplc.com, as well as on our internal intranet and displayed on noticeboards in locations accessible to employees.

Targets

Burberry sets annual health and safety objectives and internal targets, which are supported by a safety management system and programmes aimed at continually improving our performance. We strive to ensure that we maintain a safe and healthy environment for employees, customers and all who visit and work on our premises.

Actions

1. Continuous improvements

Global Health and Safety team

During FY 2024/25, the global Health and Safety team continued to support all operational areas with proactive advice and achievable solutions to help our global teams across corporate, retail and supply chain. The team supported the business with effective risk reduction strategies with respect to enabling the creative vision.

Health and wellbeing

The Health and Safety team has played a supporting role in helping drive the global Wellbeing strategy at ground level. The team led the focus on mental health support while strengthening partnerships around mental health education and wellbeing support for our teams globally. Working in partnership with internal functions to support colleagues, visitors, contractors and customers, the health agenda is delivered across five working pillars: Wellbeing, Mental Health, Ergonomics, Occupational Health and Assistive Technology.

2. Training, governance and communications

Health and safety management system

In FY 2024/25, we updated, refined and refreshed our health and safety policies and standards related to our operations and activities. We relaunched our Global Health and Safety Policy in several languages and continued to review and add new management standards to our suite of over 100 guidance documents and standards. These cover our 16 health and safety topics, including Health and Safety Management, Chemical Management, and Fire and Emergency Planning.

Training and development

Health and safety training remains a key focus area for the Company. We have developed new, interactive and business-relevant training content specific to colleague roles though our Training Needs Assessment (TNA) tool. We set ourselves objectives to deliver training through classroom, digital and targeted content to support and enable teams to confidently manage and drive our high health and safety standards across all business areas. Our Health and Safety Essentials training module is a mandatory training requirement for all colleagues globally. In FY 2024/25, 326 classroom courses were delivered to over 3,200 attendees, which equates to 800 hours of training delivered. The global Health and Safety team continues to remain up to date with the latest developments in occupational health and safety.

Global Assurance Audit Programme

During FY 2024/25, in partnership with external partners, we completed 104 unannounced health and safety assurance audits across all global business areas as part of the Global Assurance Audit Programme. Every year, we review, update and republish our audit protocol to align with trends, changes and safety developments, including collaborating with other departments, and incorporating diversity, equity and inclusion, and sustainability information.

3. Targeted risk reduction

Fire safety and emergency planning

The Health and Safety team continued to prioritise fire safety management as an area of importance and ongoing focus. Emphasis remained on embedding our global minimum standards and education programmes to prevent fire safety issues and reduce GAAP fire findings. Additionally, we continued to set targeted training in relation to emergency preparedness, with 86% of retail locations completing the training.

ISN third-party accreditation

Partnering with the Commercial Procurement function, the global Health and Safety team launched an ISN contractor accreditation project across the UK, Europe, the Middle East and the Americas. This addresses risks related to ongoing monitoring and due diligence of higher-risk third-party suppliers that are required to carry out works in Burberry-managed environments. The scope of this new process will cover contractors providing Burberry with maintenance, facilities, cleaning, visual merchandise, construction and security activities.

4. Evolving the organisation

Global supply chain

In FY 2024/25, the Health and Safety team continued to evolve a globally consistent health and safety supply chain strategy for Burberry-managed locations and, where appropriate, evaluated the performance of local fulfilment centres, particularly where Burberry employees are located.

Events, campaigns and brand moments

Throughout the financial year, the Health and Safety team built on collaborations with internal colleagues and external specialist support to ensure the safe delivery of global brand moments, including two runway shows.

PEOPLE IN OUR SUPPLY CHAIN

Introduction

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

Approach

To identify our most material human rights impacts, risks and opportunities, we conduct a Human Rights Impact Assessment (HRIA) of our operations and activities and those of our extended supply chain every two years. We implemented this process in 2014 and continue to evolve and develop our due diligence approach (as detailed on page 42) as well as our Ethical Trading Programme.

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

- Working and living conditions, including access to health services
- Worker voice, specific to providing remedy
- Diversity, equity and inclusion
- Modern slavery, including migrant worker recruitment journeys

In FY 2024/25, we implemented several mitigation actions focused on these areas (as detailed on pages 78 to 80).

Policies

Our Code of Conduct guides our actions and supports our partners to make informed, ethical and sustainable decisions and has been developed in line with our commitments and experience over many years. The Code includes our Ethical Trading Code of Conduct and Human Rights Policy, which sets out standards to protect the rights of workers across our supply chain, as well as policies that aim to protect vulnerable workers, such as a Migrant Worker Policy and Child Labour and Young Worker Policy. Our policies within the Code of Conduct are underpinned by the Ethical Trading Initiative Base Code, the International Bill of Human Rights and the Fundamental Conventions of the International Labour Organization. We review our policies against the latest best practice guidelines and emerging regulatory requirements, and update them where needed.

We seek to apply the Code of Conduct to all our Business Associates, which include, but are not limited to, raw material suppliers, finished goods suppliers, subcontractors, supporting facilities, non-stock suppliers, construction contractors, licensees and franchisees. Compliance with the Code of Conduct is a condition of working with Burberry (whether directly or indirectly). All our policies are made publicly available on Burberryplc.com and shared with new Business Associates during onboarding. They are available to colleagues via Burberry World, our internal colleague intranet.

Targets

Advance ethical trading in our supply chain

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

FY 2024/25 performance

During the financial year, 383^ on-site social compliance audits were carried out across our Tier 1 and 2 supply chain. Among our Tier 1 supply chain partners, 75% were either audited or remained in scope of their most recent audit. Our Vendor Ownership Programme (VOP) was expanded to four new partners and is now in place at 28 partners globally. In addition, our pilot due diligence initiative that manages risks associated with migrant workers, with the support of external consultants, has seen very encouraging results.

We also strengthened our accountability processes to support internal teams to make responsible sourcing decisions that assist in managing risks across our supply chain.

Enhance supply chain engagement

Continue to implement our Supply Chain Engagement Programmes to further advance wellbeing, livelihoods, inclusivity and worker voice across our supply chain.

FY 2024/25 performance

In FY 2024/25, we continued to make significant progress in enhancing and expanding our social impact programmes, including expanding our Worker Wellbeing Programme to 11 new supply chain partners and launching a grievance mechanism for our EMEIA Tier 1 supply chain partners, which will be available to approximately 41,000 workers.

Actions

In FY 2024/25, we continued to implement actions focusing on our key impact and risk areas across our operations and our supply chain.

1. Working conditions

Ethical Trading Programme

During the financial year, we continued to implement robust auditing and compliance programmes to effectively identify, manage and mitigate potential violations of our Code of Conduct.

^ This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

We have a target that all our material[1] Tier 1 suppliers are audited against our Ethical Trading standards. In FY 2024/25, 75% of our Tier 1 suppliers were either audited or remained in scope of their most recent audit. Only 1% of these supply chain partners were identified to have Critical or Business Critical findings and were managed in line with our Critical procedure. We analyse all our audit findings on a global scale, to understand where to focus our remediation and social impact programmes.

During the financial year, the main areas of non-conformance with our standards across all audits conducted were related to health and safety[2] and working hours. We will continue to work with our partners to identify the root cause of these issues and implement actions to address and prevent them. Where there is non-compliance, we require our supply chain partners to implement a corrective action plan to make progress and meet all our ethical trading standards. More information on our ethical trading programme can be found in our Modern Slavery and Transparency in the Supply Chain Statement FY 2024/25 on Burberryplc.com.

One area of focus for risk mitigation in FY 2024/25 was the potential risks associated with migrant workers. As a small number of our partners in Italy employ migrant workers, we have implemented a reinforced due diligence process to assess, remediate and prevent instances of actual or potential negative impacts on these workers.

Our approach includes:

- An extensive assessment (conducted on an unannounced basis) of the supply chain partner's operating procedures, spanning working rights, employment practices and fiscal due diligence
- An internal due diligence review of Burberry's purchasing practices, to identify any connections between our sourcing policies and any non-conformities identified during our audit programme
- Action plans tailored to each supply chain partner to support their capacity to address and prevent negative impacts

All our partners have now been assessed and some were identified to have non-conformities around working hours. These have been issued with action plans and are working on remediating any impacts observed. They will be reassessed in the quarter following their initial assessment to validate improvements.

Vendor Ownership Programme

Our Vendor Ownership Programme (VOP) is a core element of how we prevent risk in our supply chain. The VOP provides our key[3] supply chain partners with support to develop and run their own due diligence programme within their extended supply chains in line with our standards.

The VOP supports our efforts to uphold our ethical standards and actively works to prevent modern slavery risks through our partners' continued engagement, along with extensive support and training. Regular audits focused on human rights as well as health and safety are conducted by our VOP partners and, in certain cases, third-party auditors, using our Ethical Trading Code of Conduct as a guide. Based on the results of the audit, improvement action plans are developed and shared with our partners' supply chain, who in turn bridge the gaps identified.

Worker grievance mechanisms

We ensure that employees and workers in our supply chain have access to confidential support and advice. Burberry Confidential is our global grievance mechanism and is available to all of our stakeholders, including key rightsholder groups (employees, supply chain workers, communities and our customers). In FY 2024/25, we expanded Burberry Confidential and launched an online hotline for workers in the EMEIA region. The initiative was disseminated across our Tier 1 suppliers, starting in early 2025.

We also sponsor confidential hotlines run by NGOs for workers in our Asia Pacific (APAC) supply chain, which provide advice on workers' rights and wellbeing as well as confidential support. Throughout the year, together with our NGO partner, we continued to conduct awareness-raising sessions to promote the use of the confidential hotlines to supply chain workers, highlighting benefits and the services provided. Approximately 99% of all complaint calls were addressed, with the remaining cases still being addressed by the suppliers with the support of the NGO. Grievance resolution is regularly monitored by the Corporate Responsibility team.

2. Human rights

Supply chain training

Training our supply chain partners to understand, identify, mitigate and manage modern slavery risks is a key component of our Ethical Trading Programme. Suppliers receive training during onboarding to ensure they have a strong understanding of the importance of transparency during social compliance audits and of our critical issues. We have continued our collaboration with the International Organization for Migration (IOM), broadening our global programme of training on modern slavery to cover country-specific risks facing migrant workers, fair and ethical recruitment, employer responsibilities, migrant workers' risks and integration of migrant workers. This training reached 227 supply chain partners across 15 countries and territories and impacted approximately 51,250 workers in FY 2024/25.

Internal colleague training

In FY 2024/25, we worked with an external learning developer to create an online Modern Slavery training programme. This allowed us to designate this form of training as mandatory for key teams, including Supply Chain, Product Development, Corporate Responsibility and Human Resources. The new approach to internal training meant we were able to provide vital training to a much larger group of internal employees. During the financial year, 883 employees completed the training.

1. Material is based on production volumes, value and length of relationship with Burberry.
2. For example, inadequate training around health and safety, or inadequate fire safety management.
3. Supply chain partners are selected based on volumes, value and length of relationship, this ensures that the programme addresses risk within the majority of our Tier 1 supply chain in EMEIA.

3. Equal treatment and opportunities for all

Migrant workers

In FY 2024/25, as part of our continued risk prevention efforts, we extended our collaboration with the IOM to co-develop a pilot project to raise awareness on fair and ethical management of migrant workers. This aimed to build the capacities of our Tier 1 partners from our internal manufacturing facilities in Italy, to effectively manage migrant worker recruitment and employment practices, as well as meeting the standards set out in our Migrant Worker Policy.

Worker Wellbeing Programme

In FY 2024/25, 18 Tier 1 suppliers participated in our Worker Wellbeing Programme, reaching 13,670 workers in our supply chain. The programme aims to identify hidden risks through proactive worker engagement. Additionally, it is intended to educate suppliers on ways to enhance worker wellbeing, foster higher employee satisfaction and support talent attraction and retention.

We engage with stakeholders to inform response actions, including launching surveys to measure worker wellbeing, meeting with supply chain partners to identify opportunities for improvement and formulating site-specific action plans. In FY 2024/25, the performance achieved by our participating suppliers is as follows: 17% Very High Satisfaction, 39% High Satisfaction, 44% Acceptable Satisfaction and 0% Low or Very Low Satisfaction[1].

Health Programme

In FY 2024/25 we extended our Health Programme to new supply chain partners across Asia. In the 12-month period, 991 supply chain workers participated in the programme and received approximately two hours' training each. To ensure the training is effective and relevant for the workers participating, we collaborate with the supply chain partners and medical practitioners conducting the training to determine the health topics to be covered. The four broad training modules are: women's health, men's health, general health and mental health. They focus on topics such as reproductive health, cancer awareness and nutrition.

Metrics

People in our supply chain

	FY 2024/25	FY 2023/24	FY 2022/23
Number of Tier 1 supply chain partners	**687**	679	640
Number of total workforce[1] in Tier 1 supply chain	**61,495**	62,230	56,073
Percentage of female workers in Tier 1 supply chain	**71%**	71%	68%
Percentage of male workers in Tier 1 supply chain	**29%**	29%	32%
Percentage of Tier 1 production sites covered by national and/or industrial collective bargaining agreements	**78%**	~80%	>70%

1. This refers to the number of workers employed by the facilities in our finished goods supply chain.

Social compliance audits and assessments

	FY 2024/25	FY 2023/24	FY 2022/23
Number of on-site social compliance audits carried out in the year (full audit on-site, follow up audit on-site)	**383^[1]**	495	419
Number of desktop social compliance assessments carried out in the year	**86**	100	32
Percentage of our Tier 1 supply chain partners that have had a social compliance audit or remained in scope from previous audit	**75%**	71%	N/A
Percentage of Tier 1 supply chain partners that do not meet our ethical trading standards	**1%[2]**	1%	2%
Breakdown of Tier 1 supply chain partners' social compliance audit performance			
% Critical	**1%**	1%	N/A
% Major	**61%**	44%	
% Minor	**26%**	27%	
% Excellent	**12%**	14%	
% Other[3]	**0%**	14%	

Note: Where data is denoted as N/A, this is due to changes in scope or calculation methodology taking place. Previous years' data is therefore not applicable.

1. There was a decrease in the number of on-site audits conducted in FY 2024/25 compared to the previous financial year due to our transition to a risk-based approach to managing human rights and modern slavery risks which began in FY 2023/24. More details of our approach can be found on page 78.
2. Only 1% of our finished goods supply chain partners were identified to have Critical or Business Critical findings and were managed in line with our Critical procedure in FY 2024/25. The main areas of non-conformance with our standards were related to health and safety and working hours. We will continue to work with our partners to identify the root cause of these issues and implement actions to address and prevent them. More details can be found in our Transparency in the Supply Chain and Modern Slavery Statement 2024/25 available on Burberryplc.com.
3. Other grading refers to Accepted, Pre-approved or Audit to be confirmed.

1. Responses are aggregated and converted into a score ranging from 1.00 to 0, which determines the overall level of satisfaction. The different score ranges are structured as follows: 1.00 - 0.85 = Very high satisfaction, 0.84 - 0.70 = High satisfaction, 0.69 - 0.55 = Acceptable satisfaction, 0.54 - 0.40 = Low satisfaction, 0.40 - 0.00 = Very low satisfaction.

^ This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

Human rights training

	FY 2024/25	FY 2023/24	FY 2022/23
Number of our colleagues in Sourcing, Procurement and Human Resources teams to receive training on human rights	**883**	125	89
Number of supply chain partners participating in IOM training	**227**	246	77
Number of workers impacted by IOM training	**51,250**	57,691	>9,500

Vendor Ownership Programme

	FY 2024/25	FY 2023/24	FY 2022/23
Number of Tier 1 supply chain partners involved in the VOP	**28**	24	22
Number of subcontractors reached in the VOP	**315**	310	252
Number of workers reached in the VOP	**26,505**	20,547	>16,500
Percentage of Tier 1 supply chain partners in EMEIA involved in the VOP	**52%**	52%	47%

Worker hotlines

	FY 2024/25	FY 2023/24	FY 2022/23
Number of calls to Burberry-sponsored worker hotlines	**451**	473	502
Number of complaints	**34**	22	18
Number of consulting requests	**413**	447	464
Number of psychological support requests	**4**	4	20
Number of factories[1] covered by hotlines	**42**	40	38
Number of workers covered by hotlines	**29,442**	33,364	27,404

1. Factories include finished goods vendors, subcontractors, supporting facilities, licensees and raw materials suppliers.

Health Programme

	FY 2024/25	FY 2023/24	FY 2022/23
Number of supply chain workers impacted by the Health Programme	**991**	832	N/A

Note: Where data is denoted as N/A, this is due to the KPI not being collected during this time period. The first reported year is the first year the data became available.

Wellbeing Programme

	FY 2024/25	FY 2023/24	FY 2022/23
Number of Tier 1 supply chain partners participating in the Wellbeing Programme	**18**	9	15
Number of Tier 1 supply chain workers covered by the Wellbeing Programme	**13,670**	11,650	>5,000

COMMUNITIES

Introduction

We strive to do the right thing for our customers, our communities and the world around us. We continue our founder's legacy by supporting young people, championing our communities and collaborating with organisations to make a positive impact. Since 2010, we have committed to giving at least 1% of profit before tax (PBT) annually to charitable causes, including amounts donated to The Burberry Foundation (UK registered charity number 1154468).

Established in 2008, The Burberry Foundation is governed as a separate entity and operates independently to Burberry Group plc. As such, it follows the regulations and laws applicable to charitable organisations in the UK. The Burberry Foundation's Board of four trustees meets quarterly and is chaired by Christopher Holmes, Baron Holmes of Richmond, MBE.

Approach

Our contributions are directed towards advancing our Communities strategy, ensuring meaningful impact and sustainable progress in our core focus area of improving the lives of young people. Today, there are 1.8 billion young people aged 10 to 24, making up the largest generation in history. By 2035, they are set to make up 50% of the global workforce[1].

We believe that supporting young people from an early age, particularly those who have experienced challenging circumstances, is crucial to preventing youth unemployment and its associated long-term effects on mental health, while also building a positive future for both our global communities and economy.

Focusing on the geographic locations our operations reach, we support charitable initiatives which inspire young people to come together in safe environments and explore their creativity, develop life skills and broaden career horizons. Our Burberry Inspire programme implements the Creative Youth Development (CYD) Framework, a commitment to respecting the diversity of young people's lived experiences, valuing their perspectives, elevating their authentic voices and supporting their creative development and expression. This approach to youth development recognises that creativity takes different forms. For example, some young people may demonstrate their creative spark through painting, music, theatre or dance, while others may express themselves in areas relating to science, technology, engineering and mathematics (STEM). Drawing on insights from the CYD Framework, Burberry Inspire channels the power of creativity to cultivate young people's self-confidence, mental health and wellbeing, sense of identity and belonging and aspirations for the future. The programme's theory of change revolves around engaging and nurturing young people's creativity, providing well-designed opportunities for growth and learning, and empowering them to contribute positively to their communities.

Burberry colleagues receive three volunteer days per year, with access to an internal volunteering platform that connects them with charitable organisations and opportunities within their local communities. Facilitating volunteering and fundraising opportunities for our colleagues allows us to positively impact their wellbeing while supporting the communities where we operate. Our colleagues can volunteer their time to causes which are particularly meaningful to them or aligned to Burberry's Communities strategy. This approach means we can positively impact both our local and global communities.

Policies

Our Community Investment Policy and Procedures sets out our approach to community investment, charitable donations, humanitarian aid, employee volunteering and fundraising. Our community investment methodology aligns with the Business for Societal Impact (B4SI) Framework.

The policy extends to all Burberry Group plc operations, including wholly or majority-owned subsidiaries. We believe that by implementing this policy consistently across our operations, we can make a more significant, lasting impact on our communities.

Burberry's Corporate Responsibility team and Ethics Committee oversee and govern the implementation of this policy. The policy is available to staff via Burberry World, our internal colleague intranet.

Targets

Inspire young people to create better futures

Positively impact 500,000 people between FY 2022/23 and FY 2025/26, particularly young people hailing from under-served communities.

FY 2024/25 performance

During the financial year, 273,435 people were positively impacted[2] through community programmes supported by Burberry Group plc and The Burberry Foundation. This achievement adds to our cumulative total of 653,597 people since FY 2022/23, exceeding our target of 500,000 by FY 2025/26.

Increase volunteering opportunities for colleagues

25% of Burberry colleagues to engage in volunteering and fundraising activities by FY 2025/26.

FY 2024/25 performance

In FY 2024/25, 12%^ of Burberry colleagues actively engaged in volunteering and fundraising activities. This is a 4% increase compared to 8% of colleagues engaged in FY 2023/24.

1. World Health Organization, Adolescent Health, www.who.int, accessed March 2025.
2. Positively impacted refers to the number of people directly reached by our community programmes, in line with the Business for Societal Impact (B4SI) framework. This includes individuals who directly participate in or benefit from our initiatives, such as training, mentoring, or access to resources and services.

^ This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

The Burberry Inspire programme's global reach

Actions

1. Expanding Burberry Inspire

Burberry Inspire is our global flagship programme, dedicated to providing safe spaces for young people to explore their creativity, develop new skills and build a more positive future. With a focus on young people from underserved communities aged 10 to 24, Burberry Inspire brings all youth-focused activities conducted by The Burberry Foundation and Burberry Group plc together under a single identity. Burberry Group plc partnerships focus on in-school programmes, and The Burberry Foundation on community-based youth organisations.

Through a network of partnerships in nine regions across the world, the initiative has impact at both global and local levels. Burberry Inspire offers skills development in a variety of fields, from creative arts and design to sports and STEM-related activities, entrepreneurship and initiatives aimed at breaking down educational barriers. The programme's ambition is to create opportunities for more than 500,000 young people between FY 2022/23 and FY 2025/26 by unlocking their creativity and driving positive change in their lives as well as in their communities. In FY 2024/25, the Burberry Inspire programme introduced two new partners, Co&So in Italy and Haja Center in South Korea. This expansion broadened the programme's reach, positively impacting more young people and bringing the total number of partners to 18.

2. Inspiring Young Leaders

We also introduced our first cohort of Young Leaders as part of a newly launched Young Leaders programme. To ensure that the diversity of young people's lived experiences and perspectives remains at the core of Burberry Inspire and its programming, we developed an initiative to bring together young leaders, amplify their voices and address social issues in their local communities. Comprised of 20 young change-makers from nine Burberry Inspire partners around the world, the initiative was designed to develop the next generation of leaders by offering unique development opportunities and fostering greater confidence in self-expression. During FY 2024/25, the programme involved a series of bi-weekly skills workshops, learning sessions, work experience and round-table discussions.

To support the development of each young leader and provide insight into how their passions can be transformed into meaningful careers, participants were matched with Burberry mentors. These mentors guided them throughout the programme and helped them navigate their next steps into the workforce. This initiative also provided a valuable volunteering opportunity for Burberry employees, allowing them to engage more deeply with the programme and contribute to its impact. The Young Leaders programme will continue annually throughout the duration of the Burberry Inspire programme.

3. Showcasing the creativity of Burberry Inspire

In August, The Burberry Foundation hosted its first Burberry Inspire showcase, bringing together young people from across the United Kingdom in celebration of collaboration and creativity. Hosted with Burberry Inspire partner OnSide at the Burberry Business Services office in Leeds, the event saw over 60 young people from 12 OnSide Youth Zones present a project that they had worked on within the last year. From the unveiling of an arts mural and performance of a scene from 'Oliver!', to the demonstration of a Burberry Inspire Kit Car Project and the presentation of an anti-knife crime lifestyle apparel brand, the showcase highlighted the transformative impact of the Burberry Inspire programme.

4. Developing Design Camps with Future for Youth, South Korea

With support from Burberry Inspire, Future for Youth (FYF) developed Design Camps to introduce young people to creative problem-solving and hands-on opportunities to build sustainable design models. The interactive workshops are specifically developed to introduce participants to new concepts and encourage them to see themselves as creators. FYF focuses on young people in rural communities where creative opportunities are not as readily available as in neighbouring cities.

FYF's Year One programme results showed that young people made significant gains in creativity and self-expression, including one young person who shared, "I enjoyed the freedom to create whatever I wanted without any set constraints in this activity."

5. Elevate Her Essence with Girls Inc. of New York City

In March 2025, we supported Burberry Inspire partner, Girls Inc. of New York City, with their annual conference. Named 'Elevate Her Essence', the conference brings together more than 1,000 young women from schools across New York City for a day of activities centred on mental health and wellness. A host of Burberry volunteers, including our Vice President Human Resources and Vice President Marketing and Communications, joined to support the day's events, from being a part of the Welcome Cheer Squad to helping with activity stations, workshops and mainstage educational presentations.

6. Empowering our colleagues through volunteering

At Burberry, we offer all our colleagues three paid volunteering days a year to give back to the causes they care about most. In FY 2024/25, a volunteering highlight included our colleagues coming together ahead of the festive season to support two of our Burberry Inspire partners.

Wearing festive jumpers in aid of Save the Children UK's annual Christmas Jumper Day, our colleagues orchestrated a 'Wrapped by Burberry' gift drive to support national youth charity OnSide. Using an array of items donated by our corporate teams, all gifts were wrapped by hand in festive packaging and distributed to youth zones across London and Leeds, ensuring that all their young people had something special to open at Christmas.

Metrics

Positively impacted

	FY 2024/25	FY 2023/24	FY 2022/23
Number of people positively impacted[1] through community programmes supported by Burberry Group plc and The Burberry Foundation in FY 2024/25	**273,435**[2]	219,377	160,785
Number of people positively impacted cumulatively through community programmes supported by Burberry Group plc and The Burberry Foundation since FY 2022/23	**653,597**	380,162	160,785

1. Positively impacted refers to the number of people directly reached by our community programmes, in line with the Business for Societal Impact (B4SI) framework. This includes individuals who directly participate in or benefit from our initiatives, such as training, mentoring, or access to resources and services.
2. This figure may not align with the financial year of contribution for certain partners, as Burberry reports impact in the year the impact reports are received from those partners.

Colleague volunteering

	FY 2024/25	FY 2023/24
Percentage of colleagues actively engaged in volunteering and fundraising activities	**12%**^[1]	8%[1]
Number of volunteering and fundraising projects supported by Burberry colleagues	**201**	139
Total number of volunteering hours	**5,519**	2,799
Number of charities supported through volunteering, match funding and in-kind donations	**118**	92

Note: Prior year (FY 2022/23) data is not comparable as a result of a change in data collection methodology following the launch of our new volunteering platform in FY 2023/24.

1. Figure excludes colleague headcount where the volunteering platform is subject to data restrictions, including Mainland China and the United Arab Emirates (except Dubai).

^ This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

GOVERNANCE – BUSINESS CONDUCT DISCLOSURES

Our commitment to being a responsible business drives us forward and supports the long-term success of our people and our Company. Ethical practices are embedded in our ways of working and we mitigate risks to reduce potential negative impacts associated with operating a business. Everyone working for or with Burberry is expected to adhere to our Code of Conduct.

This section describes our Company's approach to key ethical business conduct topics, including anti-bribery and corruption, animal welfare and tax transparency. Other key ethical business conduct topics are covered within the relevant sections, including our Social and Environmental statements. It lays out the policies, processes and behaviours that we and third parties associated with Burberry must comply with to ensure we are acting in accordance with our values and doing right by our stakeholders. Further details of these policies and processes can be found in our Code of Conduct.

ANTI-BRIBERY AND CORRUPTION

Introduction

Burberry is an open and caring organisation, a value which is underpinned by our desire to be responsible. We strive to do the right thing by our people, our customers, our communities and the world around us. Complying with applicable laws and regulations and doing the right thing are embedded in our Company's culture. As such, we adhere to and support international efforts to combat bribery and corruption in accordance with the United Nations Convention against Corruption, including the UK's Bribery Act 2010.

Failure to comply with applicable anti-bribery and anti-corruption laws, whether by Burberry directly or within our wider operations, could expose us to legal liabilities, financial penalties, reputational damage and loss of stakeholder trust.

Approach

Our Anti-Bribery and Anti-Corruption Policy is in place to ensure integrity in our direct and indirect business operations. Compliance with the policy is mandatory for our employees, contractors and all third parties associated with Burberry, with the policy being shared during our onboarding process and a part of mandatory employee training.

We are committed to investigating any reports or concerns promptly, thoroughly, independently and objectively. We have multiple channels for concerns to be raised, including via line management, Asset and Profit Protection, Human Resources, and Burberry Confidential (which can be used by employees, contractors and Business Associates). Reports are handled in accordance with our Burberry Confidential and Whistleblowing Policy (available on Burberryplc.com).

We have an open culture with high standards of accountability and ethical behaviour. As such, we have zero tolerance for retaliation when concerns are raised.

Policies

Our Anti-Bribery and Anti-Corruption Policy outlines the steps taken to prevent bribery and corruption in connection with Burberry. It explains what bribery, corruption and facilitation payments are, sets out the obligations of Business Associates, and details Burberry's expectations in respect of gifts and hospitality.

Burberry's General Counsel is responsible for implementing the policy.

The policy is made available to our employees, contractors and third-party Business Associates at all times via Burberryplc.com. We share a copy of the policy with third party Business Associates as part of our onboarding process, and we require contractual assurances that they will comply with the policy as a condition of working with us. The policy is also made available to Burberry employees as part of mandatory annual anti-bribery and anti-corruption training, which covers the content of the policy.

Actions

1. Responsible Business Principles

In FY 2024/25, we sent 862 Responsible Business Principles letters to key vendors. Dispatched every two years, the letters serve as reminders for vendors regarding our business practices and Burberry's Code of Conduct.

2. Gifts and Hospitality Policy update

We amended our Gifts and Hospitality Policy in relation to client engagement gifting, revising parameters around frequency. The new approach provides a narrower focus and is designed to lead to more impactful gifting from our Client Engagement teams.

ANIMAL WELFARE

Introduction

Burberry is deeply committed to principles and practices that require animals in its supply chain to be treated with care and respect and believes that animal welfare is of the utmost importance.

Approach

The capture, maintenance, breeding, raising, transportation and handling of animals must be undertaken observing the highest animal welfare standards, and in compliance with all applicable local animal welfare, social and environmental laws. Burberry has defined specific sourcing requirements for animal-based materials and identified certification programmes which promote ethical farming practices and enhance supply chain transparency.

Burberry has a ban on the use of real fur and exotic skins.

Policies

With respect to animal welfare, our Responsible Raw Materials Sourcing Policy outlines our requirements for value chain partners and colleagues, as well as our commitments to responsible raw materials sourcing.

The policy (available on Burberryplc.com) also outlines our requirements with respect to packaging, and animal welfare and testing. Our Beauty licensee, Coty, publishes its own Against Animal Testing Policy & Program, which is available on Coty.com.

Actions

1. Raw materials target progress

In FY 2024/25 we made good progresses in our journey to achieving our target of 100% of our key raw materials being certified or responsibly sourced, as defined in our Sustainable Raw Materials Portfolio (available within our Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com). The Portfolio is based on certification programmes and sourcing criteria which promote ethical farming practices and enhance supply chain transparency.

2. Industry collaboration

Burberry is also part of the Textile Exchange animal welfare working group. It aims to create strategies and propose approaches to setting long-term material commitments to achieve industry change.

TAX TRANSPARENCY

Introduction

As a global luxury retailer, wholesaler and manufacturer, operating in over 400 retail locations worldwide, we take our environmental, social and corporate governance responsibilities seriously. Our Tax Strategy enables us to fulfil those responsibilities in respect of all applicable taxes.

Approach

Burberry is committed to acting with integrity and transparency on all tax matters and complying fully with applicable tax laws, having regard to international standards and guidance on tax practice and tax reporting. The Group will only engage in responsible tax planning aligned with genuine commercial economic activities. We will not use tax structures or undertake artificial transactions, the sole purpose of which is to create a contrived tax result. For example, we do not participate in transactions with parties based in tax haven jurisdictions when the transactions are not in the ordinary course of Group trading business or which could be perceived as artificially transferring value to low tax jurisdictions.

We strive to ensure that all tax filings are accurate and submitted on a timely basis. If we discover any inadvertent errors in tax returns or correspondence with tax authorities, we disclose them promptly. In the UK, the Vice President, Tax and the global Tax and Trade Compliance teams have regular communication with our HM Revenue & Customs (HMRC) Customer Compliance Manager and specialist HMRC teams to promote a professional, collaborative working relationship.

Burberry has a low tolerance for tax risk and proactively engages with advisors to achieve certainty on our tax position. The Group's processes, policies and governance are designed to identify and mitigate material tax risks. The complex and ever-changing international tax environment, national regulatory developments and changes in the way we do business mean that there is always an element of tax risk and uncertainty inherent in the Group's operations. To this end, we have formalised our tax risk identification, measurement, monitoring and reporting processes to manage these risks and ensure appropriate mitigation steps are taken. Significant tax risks and progress on mitigating actions are reported regularly to the Audit Committee.

Burberry seeks to engage in open and constructive dialogue with HMRC in the UK and with tax authorities in all the territories in which we operate.

Policies

The Group Tax strategy directs our tax planning, reporting and compliance activities and is aligned with the Group's strategic objectives. Further information regarding the Group Tax strategy can be found on Burberryplc.com.

Actions

In FY 2024/25, the total taxes borne and collected globally by the Group amounted to £383 million. In the UK, where the Group is headquartered and has significant operations, Burberry paid business taxes of £74 million and collected a further £52 million of taxes on behalf of the UK Exchequer. We paid £0.3 million in plastic packaging tax and other environmental taxes. Further information on this can found on the Total Tax Contribution section at Burberryplc.com.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

This section of the Strategic Report constitutes Burberry's Non-Financial and Sustainability Information Statement, produced to comply with sections 414CA and 414CB of the Companies Act 2006.

The information listed is incorporated by cross-reference.

Reporting requirement	Policies and standards which govern our approach	Information necessary to understand our business and its impact, policy due diligence and outcomes
Environmental matters	• Global Environmental Policy • Responsible Sourcing Policy • Chemical Management Standards • Code of Conduct	• Sustainability at Burberry section, pages 40 to 88 • Impact section on Burberryplc.com • Task Force on Climate-related Financial Disclosures (TCFD), pages 47 to 71
Employees	• Code of Conduct • Our Culture and Values • Global Health and Safety Policy • Ethical Trading Code of Conduct • Global Diversity, Equity and Inclusion Policy	• Directors' Report, pages 158 to 161 • Directors' Remuneration Report, pages 136 to 157 • Our Purpose and Values, page 19 • Stakeholder Engagement, pages 43 to 45 • Gender and Ethnicity Pay Gap Report on Burberryplc.com • Sustainability at Burberry section, pages 40 to 88
Respect for human rights	• Human Rights Policy • Ethical Trading Code of Conduct • Child Labour and Young Worker Policy • Migrant Worker Policy • Data Protection Policies • Information Security Policies • Model Wellbeing Policy • Global Diversity, Equity and Inclusion Policy • Partner Non-Compliance Policy	• Impact section on Burberryplc.com • Transparency in the Supply Chain and Modern Slavery Statement on Burberryplc.com
Social matters	• Ethical Trading Code of Conduct • Local Stakeholder Engagement Policy • Volunteering and Match Funding	• Impact section on Burberryplc.com
Anti-corruption and anti-bribery	• Anti-Bribery and Anti-Corruption Policy • Cash Acceptance Policy • Fraud Risk Management Policy	• Reflecting the needs of our stakeholders, People, page 45 • Reflecting the needs of our stakeholders, Customers, page 44
Additional disclosure		• Our Business Model, pages 18 and 19 • Environmental and Social Measures (Non-financial KPIs), pages 55 to 85 • Risk and Viability Report, pages 90 to 101 • Our Purpose and Values, page 19

RISK AND VIABILITY REPORT

Risk management at Burberry supports growth and protects existing value.

Our approach to risk

Group Risk

Effective risk management is fundamental to achieving our business objectives, protecting our reputation and delivering added value to our stakeholders. The Group Risk team, encompassing enterprise risk management, business resilience, and insurance, supports the integration of risk into decision-making. By collaborating with teams across the business, Group Risk enhances risk identification and analysis, establishing the required mitigation profile to meet the Group's strategic objectives and manage risk within Burberry's risk appetite.

Our business resilience approach focuses on critical risks and controls to business operations, and supports the management of continuity plans in the event of the risk occurring or a control failure. We conduct risk simulations with our business functions and the Group Incident Management team, chaired by our CEO, to manage global incidents.

Our Insurance strategy, informed by our risk appetite, tolerance and profile, ensures sufficient cover for insurable risks through close collaboration with the Enterprise Risk Management and Business Resilience teams.

Regulatory developments

A management steering committee has been established to review current practices and recommend any changes required by the revised provision 29 of the 2024 Corporate Governance Code which will apply to the Group from FY 2026/27.

During FY 2024/25, we focused on identifying and defining material controls, to ensure that we are addressing the most impactful areas. Our approach facilitates the continuous improvement of our Control Framework. In FY 2025/26, we will concentrate on further refining these controls and enhancing Board reporting within our existing Risk Management Framework while preserving the agility needed to drive sustainable business growth and operational efficiency.

Risk Management Framework

The Group Risk Management Framework encompasses risk governance, risk appetite and risk processes as demonstrated by Figures 1 and 2 on pages 91 and 92, respectively.
The framework is aligned with the objectives of ISO 31000:2018, to assist business functions in conducting risk management activities to support the achievement of business objectives; and to provide clear governance for communicating the outcomes of risk management to relevant internal and external stakeholders.

The foundation for the Group Risk Management Framework involves assessing the internal and external environment in the short to medium term. The internal environment includes, for example, our employees, suppliers, capabilities, resources, infrastructure, resilience, culture and objectives. The external environment concerns customer and shareholder expectations, regulations, competitors, luxury industry trends, raw material volatility, the economy and the geopolitical environment.
Group Risk continually assesses potential changes in both environments to support business areas with the Risk Management Framework.

Risk governance

Figure 1. Risk governance

Board

- Responsible for the Risk Management and Internal Control Framework across Burberry
- Setting and monitoring Burberry's risk appetite
- Review of the principal risks facing the business, along with the corresponding mitigation strategies implemented

Audit Committee

- Oversight and advice to the Board on current risk exposures
- Assessing the effectiveness of the Risk Management and Internal Control Framework on an ongoing basis on behalf of the Board

Risk and Ethics Committees

- Oversight of key risks reporting to the Audit Committee
- Formal groups for ongoing risk monitoring and decision-making on risks and issues escalated from business functions
- The Committees can be found on page 117

Leadership teams

- Monitoring the risk landscape and communicating insights within the function
- Maintaining a business area register of enterprise risks and controls, and tracking control performance by implementing appropriate governance

Risk appetite

The Group's risk appetite is defined by the Board and outlines the nature and extent of risk the Group is willing to take to support responsible and sustainable growth. The Board is ultimately responsible for challenging management's development and implementation of effective systems of risk identification, assessment and mitigation to within risk appetite.

The Board has delegated responsibility for reviewing the effectiveness of the Group's internal controls and risk management arrangements to the Audit Committee. Ongoing review of these controls is provided through the risk governance (Figure 1). Our Internal Audit team provides independent assurance to management and the Audit Committee on the effectiveness of management actions.

The Group's risk appetite was reviewed by the Risk Committee and approved by the Board in May 2025.

Risk appetite statement

We seek to protect the long-term value and reputation of our brand in our operations, maximising commercial benefits to support responsible and sustainable growth within a defined risk tolerance.

We accept some risk in pursuit of growth through brand elevation commensurate with our position in luxury fashion.

We approve capital investment in strategic projects and accept a moderate level of risk in our dynamic pursuit of profitable growth through our creativity and innovation, balancing a reasonable return on capital with a proportionate level of commercial risk within the approved Capital Allocation Framework.

Complying with applicable laws and regulations and doing the right thing are an essential part of our culture and underpin our strategic ambition. In evaluating risks and opportunities, we prioritise the interests and safety of our customers, people, communities, and the environment.

Risk process

At the core of our Risk Management Framework lies our risk culture, which is intrinsically linked to our risk appetite. We cultivate a risk-aware environment through strong communication from leadership, integration of risk into daily activities, continuous learning, consistent risk terminology, accountability, transparency, and top-down and bottom-up communication.

Figure 2. Risk process

Risk identification: We continuously identify risks across all areas of the business, evaluating their potential impact on organisational objectives within the internal and external environment. Risks are categorised by principal risk and aligned with our risk categories: External, Strategic, Operational and Compliance.

Risk assessment: The Group Risk Management Framework supports colleagues with quantifying the likelihood and impact of identified risks.

Risk response: Risks are prioritised based on their risk position relative to their defined risk tolerance. We develop and implement strategies to prevent, detect, direct and remediate risks, including risk transfer through insurance and the creation of contingency plans where necessary to manage risks to within our risk tolerance. Controls are developed with clear ownership, governance, reporting and effectiveness criteria.

Risk reporting and monitoring: Our risk governance is set out in Figure 1 on page 91. The framework allows us to monitor risk factors and the effectiveness of mitigation strategies, ensuring ongoing protection and alignment to our risk appetite and tolerance, with a clear escalation process. Where events occur, we analyse the root causes and identify opportunities to enhance controls. We maintain clear, open communication channels and provide training to support colleagues with continuous risk monitoring and escalation.

Audit and assurance: Internal Audit performs assurance activities, including regular risk-based internal audits directed by the annual internal audit plan, which is reviewed and approved by the Audit Committee. Our culture supports positive dialogue between the business and internal audit, fostering two-way information flow to enable the identification and implementation of process improvements. The annual internal audit plan is aligned to the principal risks and remains dynamic to incorporate changes in the risk profile throughout the year.

Principal risks

The Board considers principal risks to be the most significant risks faced by the Group, including those most material to the Group's performance and those which could threaten the business model or the future long-term solvency or liquidity of Burberry. For the purpose of risk management the Group considers short term to be up to two years, medium term to be two to five years and long term more than five years. The principal risks outlined in the Annual Report do not encompass all risks and mitigating actions associated with our business, nor are they listed in order of priority. We continuously conduct horizon scanning to identify emerging risks which could adversely impact our business.

Each principal risk is linked to one of our risk categories: External, Strategic, Operational and Compliance, and may impact one or more of our strategic priorities.

Principal risk assessment

We identify and manage risks that could hinder our ability to create and protect value in achieving the Group's strategic objectives. Throughout the year, we continually review these risks, providing summaries to the Risk Committee and Audit Committee at least twice annually. Risks are reviewed within the context of both the external and internal operating environment. The review includes an assessment of the comprehensiveness of the Group's principal risks, their descriptions, movements, tolerance levels, associated risks, and the effectiveness of mitigating actions to manage risks to within tolerance. If any risks are outside tolerance, we develop additional plans to mitigate the risk exposure within a reasonable time frame and monitor the implementation of these plans.

Strategic risk

Using our Principal Risk Framework and risk management process, Group Risk supports business functions in embedding risk management within their annual strategic plans before Board approval. Additionally, scenario analysis and risk appetite mechanisms are employed to identify key mitigating actions required to manage these risks.

The Board reviewed the risks embedded within the strategic plans in October 2024 and March 2025.

Emerging risks

The Board considers emerging risks to be still evolving and to have impacts and likelihoods that are highly uncertain. We continuously assess emerging risks alongside our principal risks as part of our risk management process. Horizon scanning is undertaken through insights from top-down and bottom-up risk workshops with internal stakeholders, attending industry forums and seeking specialist professional consultation where required.

Review of principal risks and the Risk Management Framework

The Risk Committee endorsed the half-year and year-end risk assessment of the principal and emerging risks in October 2024 and April 2025, and they were approved by the Audit Committee in November 2024 and May 2025, respectively.

At the year-end assessment of the Group's principal risks, the following changes were implemented:

- The Foreign Exchange principal risk was expanded to Financial Risk, now encompassing foreign exchange, interest rates, credit risk and liquidity risk
- A new principal risk, Strategic Transformation, was introduced to reflect the large transformation programme currently underway within the Group
- The principal risk for Cyberattack/Loss of Data was renamed Cybersecurity, with Loss of Data which results in non-compliance with data regulations addressed within the Regulatory Risk and Ethical/Environmental Standards principal risk
- The Business Interruption risk was removed and incorporated within other principal risks, predominantly Supply Chain, to eliminate duplication. Additionally, operational business interruption risks are now addressed within IT Operations, People, Regulatory Risk and Ethical/Environmental Standards and Cybersecurity, and market risks addressed within Global Consumer Demand
- The risk tolerance level for the People principal risk was updated to moderate to reflect the changes within the transformation programme

Principal risk movements:

The following principal risks have increased during the financial year:

- Geopolitical Uncertainty, reflecting the heightened volatility and instability across key regions. This includes trade tariffs and divergent government policies that may have implications on the macroeconomy, financial markets and supply chains in our core operating regions
- Global Consumer Demand, driven by economic pressures impacting purchasing behaviours worldwide
- People Risk, following the transformational changes within the organisation alongside the wider uncertainty in the macroeconomic environment

Strategic pillars

B	(Brand) Timeless British Luxury
P	(Product) Lead with outerwear
D	(Distribution) Align distribution with Product and Customer strategy
C	(Culture) Reignite a high-performance culture

Risk movement

- Risk has remained stable since the prior financial year
- Risk has increased since the prior financial year
- Risk has decreased since the prior financial year

Risk tolerance

Low	We adopt a focused risk-based approach, seeking to allocate resources to mitigate related key risks wherever possible
Moderate	We adopt a risk-based approach that allocates resources in line with strategic priorities
High	We have a greater willingness to tolerate risk and prioritise resources in pursuit of other strategic objectives

Viability assessment

V	Risk included in the viability assessment

Principal risk summary

Principal risk	Movement	Tolerance	Link to strategy	Category
1. Financial Risk	New	Low*	D	External
2. Geopolitical Uncertainty	Increased	Moderate	D	
3. Climate Change	Stable	Low	P	Strategic
4. Global Consumer Demand	Increased	Moderate	B P D C	
5. Image and Reputation	Stable	Low	B P D C	
6. Strategic Transformation	New	Moderate	B P D C	
7. Cybersecurity	Stable	Low	B P D C	Operational
8. Supply Chain	Stable	Low	D	
9. IT Operations	Stable	Moderate	B P D C	
10. People	Increased	Moderate	C	
11. Intellectual Property (IP) and Brand Protection	Stable	Low	B	Compliance
12. Regulatory Risk and Ethical/Environmental Standards	Stable	Low	C	

* While our overall tolerance remains low, we maintain a high tolerance for foreign exchange risk.

External risks

1. Financial Risk

D V

Risk movement: New

Risk tolerance: Low*

Burberry's global operations are exposed to risks from currency volatility, interest rate fluctuations, and credit exposure with wholesale partners, suppliers, and financial institutions. Significant volatility in foreign exchange rates could impact reported results, while fluctuations in interest rates and borrowing positions may affect financial performance. Maintaining sufficient liquidity is essential to meeting financial obligations and supporting operations. Increased leverage could impact the cost and availability of financing.

Mitigating actions

- Burberry hedges some external purchases of goods and some intra-group balances using financial instruments
- Burberry monitors the overall impact of unhedged exchange movements and provides guidance to shareholders if exchange rates move on a quarterly basis
- Treasury and Group Finance teams, overseen by the Treasury Committee, monitor Burberry's foreign currency and interest rate exposure and liquidity risk
- The Treasury Committee monitors the Group's cash position and manages financing requirements to ensure that sufficient cash is maintained to meet foreseeable needs and close out market positions
- The Group's cash flow and liquidity position is regularly reported to the Board
- The Group performs scenario testing over the four-year plan which includes various risk scenarios and their impact on cash flow and available liquidity
- We review the financial position of third parties before engaging in contractual agreements and receive management information to review their financial positions regularly
- Further details on Burberry's approach to managing foreign exchange, interest rates and liquidity are given in note 26 to the Financial Statements

2. Geopolitical Uncertainty

D V

Risk movement: Increased

Risk tolerance: Moderate

The Group operates in a wide range of markets and is exposed to geopolitical uncertainty stemming from political instability, wars, civil unrest, terrorism, and changes in government policies which may lead to sanctions, tariffs, and quotas. Geopolitical instability could impact consumer demand and affect our people, reputation, supply chain, trade and ability to source and operate within markets.

Mitigating actions

- The Group engages external partners to support our specialist teams with horizon scanning and monitoring of emerging and current geopolitical developments relevant to our operations
- In the event of a geopolitical incident, our Incident Management Framework would be invoked to assess the severity of the incident and take appropriate remedial action
- Updates on geopolitical developments, scenario analysis and deep dives are reported to the Risk Committee, Audit Committee and Board as appropriate
- Assessment of geopolitical risk is integrated into our approval processes for investment and new growth opportunities, including expanding our store network and engaging prospective franchise and wholesale partners. Within our supply chain, our Onboarding Risk Framework considers geopolitical risk in the selection of suppliers and vendors
- Our strategy leverages its global reach across multiple customer segments and regions to mitigate reliance on a particular customer group or nationality

* While our overall tolerance remains low, we maintain a high tolerance for foreign exchange risk.

Strategic risks

3. Climate Change

P V

Risk movement: Stable

Risk tolerance: Low

We recognise the importance of addressing long-term environmental sustainability challenges and the impacts of climate change on our business in reputational, operational, compliance and financial terms. Failure to comply with regulatory changes aimed at addressing global GHG emissions, such as carbon taxation and ESG reporting requirements, could result in financial penalties and impact our reputation.

Mitigating actions

- Our response to managing climate-related risks is detailed within our TCFD section from pages 47 to 71.

4. Global Consumer Demand

B P D C V

Risk movement: Increased

Risk tolerance: Moderate

Global consumer demand for Burberry products is subject to several factors, including external influences such as changes in the macroeconomic environment (including inflation), extreme weather, or a public health crisis, which may impact consumer spending in the luxury market and, consequently, our profitability. The commercial appeal of Burberry products, which is impacted by design choices, sustainability preferences, perceived quality, breadth of range, pricing architecture, distribution channels, marketing activities, and customer experience, as well as changes in market competition, could impact consumer demand and growth opportunities. Significant differences between global inventory planning and allocation and consumer demand could also impact our profitability.

Mitigating actions

- The Group consults with industry specialists to discuss emerging risks and consumer preferences in the luxury industry, the market outlook and opportunities for growth. These discussions inform our global inventory planning and allocation, Marketing strategy and financial plan
- The Group continually reviews stores' commercial performance alongside market opportunities in the region to inform our Commercial Investment strategy
- The product range plan and balance of carry-forward, replenishment and newness are informed by analysis of previous seasonal performance and a collection of inputs from the regions on market trends and opportunities, customer feedback and competition
- The pricing architecture considers an offering at each price tier to appeal to a broad luxury consumer audience. Our execution considers foreign exchange and market movements
- The Group tracks the customer journey using key performance metrics (for example, Net Promoter Score) to identify and address areas of improvement and track progress towards our strategic objectives

5. Image and Reputation

B P D C V

Risk movement: Stable

Risk tolerance: Low

The Group invests in building trust in the brand and protecting its image and reputation globally. Unfavourable incidents, unethical behaviour, failure to demonstrate cultural and social sensitivity or negative media coverage relating to the Group's people, practices, products or third party suppliers could damage the Group's image and reputation. This could lead to a slowdown in sales or loss of customers, and could negatively impact the value of our brand.

Mitigating actions

- Governance of reputational risks, issues and mitigations is provided by the Ethics, Sustainability, Risk and Audit Committees
- The Group undertakes due diligence processes prior to engagements with collaborators, influencers and/or celebrities, and performs documented risk assessments ahead of all campaigns, runways and events
- The Group operates strict approval processes and editorial controls to ensure all product and content is reviewed and signed off prior to external release
- The Group ensures adherence to sustainability, cultural and ethical practices throughout the organisation by providing training and guidance materials to support our teams
- The Group provides annual training and monitors adherence to the requirements of our Code of Conduct for our employees and associated third parties
- The Group maintains an Incident Management Framework, which includes continuous monitoring of social networks and response procedures

6. Strategic Transformation

B P D C V

Risk movement: New

Risk tolerance: Moderate

Failure to successfully deliver the Group's Burberry Forward strategy, including delivering the benefits of the transformation programme to foster resilience and commercial growth, could result in underperformance against our peers.

Mitigating actions

- We have established a Programme Management Office (PMO) overseen by the Senior Vice President Strategy and Transformation that governs delivery of our strategic programmes. The PMO hosts a regular cadence of steering committees and meetings to assess and manage progress, risks, dependencies and impacts, which are tracked using project management tools and frequently communicated to the Audit Committee and the Board

- Executive Committee sponsors manage aligned workstreams and collaborate with the business cross functionally, operating with clear and transparent communication to support efficient and effective decisions that will enhance the business over the long term
- Partnering with topical specialists, the transformation programme frequently scans for changes in the external environment which may impact the strategy, and conducts benchmarking of the business's capabilities and performance against peers and the market

Operational risks

7. Cybersecurity

B P D C V

Risk movement: Stable

Risk tolerance: Low

A cyberattack may result in a system outage, impacting core operations and/or resulting in a major data loss leading to regulatory non-compliance and/or reputational and/or financial damage. The nature of the attack could include social engineering, ransomware, credential compromise of accounts or externally facing assets that target Burberry or those of a third party provider.

Mitigating actions

- The Group implements continuous improvement of 24/7/365 global security monitoring and analytics capability supported by security incident response processes
- The Group manages solutions to help detect personal and sensitive data loss with improved control over user access management
- The Group conducts second line assurance checks with reporting on control effectiveness to executive and IT management
- Governance is provided through a cross-functional Cybersecurity Steering Group and separate Data Privacy Steering Group with executive membership and sponsorship. Specialist steering groups oversee emerging data regulations
- The Group has cybersecurity incident response plans via system backups, continuity strategies and simulation exercises
- The Group works to build a culture of security that encourages and positively reinforces secure employee behaviours, and is supported by mandatory security training and awareness activities, including phishing tests
- Maintenance of business financial controls to support fraud detection/prevention
- Enhancement of our third party due diligence and risk reporting capabilities

8. Supply Chain

D V

Risk movement: Stable

Risk tolerance: Low

Internal and external factors could impact our ability to source raw materials, or to manufacture, procure and distribute finished products from suppliers on a timely basis at the required quality, quantity and cost in accordance with Burberry's ethical and environmental standards. Disruptions can stem from various events, including a delay to our critical path and external events such as extreme weather (for example, floods), natural hazards (for example, earthquakes), geopolitical events (for example, trade restrictions and trade sanctions), terrorism, industrial strikes, social unrest, cyberattacks, critical supplier or vendor insolvency, IT outages, data loss, property damage or infectious diseases. As a result, production can be halted and/or deliveries delayed, which could lead to financial and/or reputational losses.

Mitigating actions

- The Group has a defined Onboarding Risk Framework for the selection of new vendors and suppliers. We foster strong relationships with our vendors and suppliers and review our portfolio annually
- The Group has a detailed critical path aligned to target seasonal delivery dates with key milestones for each design stage, which include prototype review and engineering validation before industrialised production
- The Group's Responsible Business Principles and Responsible Raw Materials Sourcing Policy are included within our Code of Conduct, which forms part of our contractual agreements with our suppliers and vendors
- The Group continues to evolve its supply chain organisational design to develop its manufacturing and distribution and reduce dependence on key sites, suppliers and vendors
- Product suppliers and vendors are subject to a quality control programme which includes regular site inspections and independent product testing to ensure compliance with all applicable regulatory, chemical and safety standards. We also perform quality and quantity checks upon receipt and dispatch of finished goods at our distribution centres and retail stores
- The Group closely tracks global shipments and performance to advance forward planning and timely issue resolution to meet its delivery targets
- The Group has business continuity plans for its major distribution and manufacturing sites. The Minimum Viable Company (MVC) assessment, focusing on the most time-critical processes, is central to the Group's Business Continuity and Resilience strategy
- The Group has a comprehensive insurance programme supported by natural catastrophe modelling and insurance optimisation studies to offset the financial consequences of insured events, including fire, flood, extreme weather and product liabilities

9. IT Operations

B P D C V

Risk movement: Stable

Risk tolerance: Moderate

Inadequate technology support and/or recovery of an IT system or service outage underpinning critical processes across the Group, including Retail, Digital, Supply Chain, Human Resources and Finance, could significantly impact the Group's ability to operate. Failure to provide technology that meets consumer expectations and empowers innovation could impact consumer demand for our products and services.

Mitigating actions

- The Group has an established IT operating model, aligned with the Burberry Forward strategy and functions
- The Group's mature Governance Framework is embedded with executive representation to support IT investment decisions, key risk management and operating budgets
- The Group continuously implements controls to improve the operation of IT systems, including preventative maintenance, landscape health and third party management
- The Group leverages technology partners to support service delivery and continuous improvement
- The Group builds resilience through Business Continuity and IT Disaster Recovery plans and exercises. A Group Incident Management Framework is in place to report, escalate and appropriately respond to incidents

10. People

C

Risk movement: Increased

Risk tolerance: Moderate

Changes and challenges in the internal and external environment may impact our ability to attract, motivate, develop and retain employees and to maintain a workforce that encompasses diverse backgrounds with the right capabilities to drive performance and meet our strategic objectives.

Mitigating actions

- The Executive Committee and senior leaders are committed to reviewing key talent and capabilities to align with evolving business needs, prioritising inclusive hiring practices and the internal movement of talent. Our reward philosophy provides colleagues across the Group with a competitive total reward package, including fixed pay, variable pay linked to performance, and a suite of benefits that are market-aligned. Regular pay analysis is conducted to ensure our reward offering is competitive
- The Group focuses learning and development efforts on two key populations: leaders (all director and above colleagues) and line managers (anyone who manages people). In FY 2024/25, we launched Leading Forward, which addresses how leaders drive Burberry forward through our new B:Leaders Leadership Framework and B:Managers, a new suite of line manager training programmes that will be rolled out in FY 2025/26
- The Group regularly reviews its Diversity, Equity and Inclusion Policy and practices. We use industry best practice to attract external talent and to design and deliver initiatives and policies that are most important to our colleagues at global and regional levels
- The Group offers various colleague engagement moments and channels (such as employee forums, global and functional town halls, enterprise-wide working groups, and colleague surveys) to listen, gather feedback and take action

Compliance risks

11. Intellectual Property and Brand Protection

B

Risk movement: Stable

Risk tolerance: Low

Counterfeiting, copyright, trademark and design infringement in the marketplace could reduce demand for genuine Burberry merchandise and impact the luxury positioning of the brand. Challenges against Burberry's IP rights or allegations of infringement against Burberry pose a risk to our brand. Distribution outside of our authorised network and parallel trade could negatively impact demand for Burberry products and harm our luxury reputation.

Mitigating actions

- We are proud of our heritage and seek to protect our brand and reputation. Our Brand Protection Policy provides details of how we manage these risks. The policy is available to all colleagues and is reviewed annually to ensure relevance
- We conduct brand protection enforcement globally. The Group partners with enforcement agencies, digital and social media platforms, external lawyers and peer brands to disrupt the flow of counterfeit and infringing products by monitoring the market, reducing visibility of counterfeits and infringing items, and enforcing to source level. This includes online monitoring and take-down activities, and legal action where appropriate
- Existing branding and new brand signifiers are protected by trademarks, copyright and by registering designs across all appropriate categories in relevant markets
- The Brand Protection team partners with Product Design and Creative Content teams to ensure that our products and content respect the rights of third parties, and to establish adequate protections

12. Regulatory Risk and Ethical/ Environmental Standards

C V

Risk movement: Stable

Risk tolerance: Low

The Group is subject to a broad spectrum of laws and regulations in the various jurisdictions in which it operates. These include laws and regulations relating to our products, compliant use of technology, corporate fraud, anti-bribery and corruption, anti-money laundering, competition, data, corporate governance, employment, ESG, tax, trade compliance, sanctions, human rights, and employee and customer health and safety. Changes to laws and regulations, potential non-compliance or a major compliance breach, could have a material impact on the business and our financial performance.

Mitigating actions

- Specialist teams at corporate and regional levels, supported by third party specialists where required, provide advice to support the Group's compliance with applicable laws, tax requirements, ethical and business policies and regulations. The teams aid colleagues in their understanding of the policies, laws and regulations relevant to their roles. Teams provide detailed reports to specialist committees (such as the Sustainability Committee, Risk Committee, Ethics Committee, Data Privacy Committee and Audit Committee) and to the Board as appropriate
- The Code of Conduct sets out policies and guidance to ensure that our colleagues and third parties act lawfully and in accordance with Burberry's values. Training on the Code of Conduct for colleagues is conducted annually. For our supply chain partners and other key partners, the Code of Conduct forms part of our contractual agreements
- Our vendor due diligence covers new and existing supply chain partnerships, and our Ethical Trading Programme includes announced and unannounced vendor audits. We review third party performance against our Human Rights Policy and Governance Framework
- Our Global Health and Safety Policy sets out clear commitments to our health and safety standards, risk and hazard identification, and continuous improvement strategies within our global operations. We operate a global risk assessment process for retail stores, corporate offices and supply chain environments, which are reviewed quarterly. Incident and audit trends are discussed quarterly at our Global Health and Safety Committee
- The Group believes in fostering a culture where everyone feels comfortable speaking up, whether to propose an idea, raise concerns or ask for help. To support this, we have established two platforms for communication: our Burberry Resolution Hub, and our whistleblowing line, Burberry Confidential. Our whistleblowing line is available to employees and supply chain partners, and supports the identification and prevention of fraudulent activities within the Group or associated third parties
- International tax developments are a key focus of attention, with Burberry's Tax strategy reported to the Audit Committee on an annual basis
- Our Authorised Economic Operator (AEO) and trade compliance programme is in place to ensure we keep up to date with all relevant regulations. We work closely with our third party specialists to ensure compliance
- The Group operates a monthly fraud investigation forum which supports the identification and prevention of fraudulent activities within the organisation

VIABILITY STATEMENT

Corporate planning process

Burberry's annual corporate planning process consists of preparing a long-term strategic plan, forecasting the current year business performance and preparing a detailed budget for the following year. These plans form the basis for assessing the longer-term prospects of the Group.

Our strategic planning process includes detailed reviews of the budget, forecasts and long-term plans by our CEO and CFO in conjunction with our Regional and Functional Management teams, followed by a presentation and discussion of the long-term strategic plan by the Board. Delivery against the plan is monitored through monthly reporting on actual performance, the annual budget process and subsequent forecast updates.

The key assumptions considered in our strategic plan are future sales performance by product, channel and geography; the cost to procure and produce our products; other expenditure plans; cash generation and that there is no material long-term impairment to the Burberry brand. We also consider the Group's projected liquidity and balance sheet strength.

Where appropriate, we have adjusted our planning process to include scenarios relating to key assumptions as a result of the uncertain macroeconomic and geopolitical environment.

Assessment of prospects

In November 2024, we announced Burberry Forward, our strategic plan to reignite brand desire, improve performance and drive long-term value creation.

In this next phase, our focus is on reconnecting our brand with its founding principle, which is to design clothing to protect people from the weather. We are leaning into our heritage and leveraging our strengths with a disciplined approach, as we believe we have the greatest opportunity where we have the most authenticity. We are evolving our product offer to appeal to a broad base of luxury customers.

The Group's strategy is set out on pages 13 to 17.

The Group's key priorities for FY 2025/26 are a continued focus on productivity, simplification and financial discipline. To implement Burberry Forward, we have optimised our operating model and are improving our ways of working across the organisation. Throughout our retail network we are focused on improving productivity and we have reassessed our contracts and third parties to drive procurement savings.

We are positioning the brand for a return to sustainable profitable growth, supported by a strong cash generation and balance sheet strength. We remain confident that our strategic plan will improve our performance and drive long-term value creation.

The Group's approach to balance sheet and liquidity is to manage the business efficiently and flexibly, maintaining control and preserving the long-term value of the Burberry brand while ensuring we secure the financial headroom required to fuel growth as market opportunities arise.

Considering the continuing uncertain global consumer demand and geopolitical environment, we have prepared several planning scenarios based on a range of assumptions and potential outcomes.

In assessing the viability of the Group, the Board has carried out a robust assessment of the principal risks of the Group, as set out in the Risk report on page 92, and the principal risks and uncertainties as set out on pages 95 to 99.

The Directors have considered the potential impact of the risks on the viability of the Group.

Basis of assessment

The assessment of viability has been made with reference to the Group's current position and expected performance over a three-year period to March 2028. This is considered appropriate for use by the Directors because:

- It aligns with the Group's approach to long-range planning
- It is sufficient to almost cover all currently approved capital expenditure projects
- As the Group has little contracted income, and as most current business development projects will be completed in the three-year period, projections beyond this period will contain long-term growth assumptions

Scenarios

We have developed a range of scenarios, which were informed by a comprehensive review of macroeconomic scenarios using third party projections of macroeconomic data for the luxury fashion industry which reflects the current uncertain outlook and financial outcomes of risks materialising across the industry over the last 10 years. In developing these scenarios, the Directors have assumed there is no material long-term impairment to the Burberry brand.

The Group central planning scenario reflects a balanced projection aligned to the group's strategy, a balanced assumption for economic uncertainty and investment in capital expenditure and marketing.

It consists of FY 2025/26 and the subsequent two-year period to March 2028.

As a sensitivity, this central planning scenario has been stressed by a 22% downgrade to revenues in FY 2025/26 and a 18% reduction in revenues across the full three-year period, as well as the associated consequences for EBITDA and cash.

Management considers this represents a severe but plausible downside scenario appropriate for assessing going concern and viability. This was designed to test an even more challenging trading environment as a result of geopolitical and macroeconomic uncertainty together with the potential impacts of the Group's other principal risks, as described on pages 95 to 99.

For the purposes of the reverse stress test, we have considered the plausibility of a scenario that erodes the remaining cash headroom by reference to the lowest cash level in the annual business cycle. This test identified that the amount of revenue decline required on top of the severe but plausible scenario before the Group requires additional fundraising over the three-year period to March 2028 was, in the Group's opinion, implausible.

The severe but plausible downside modelled the following risks occurring simultaneously:

- A more severe and prolonged reduction in the GDP growth assumptions across the markets in which we operate combined with a reduction to our global consumer demand arising from a change in consumer preference compared to our central planning scenario
- An increase in geopolitical tension which leads to incremental unmitigated tariff risks compared to the central planning model
- A significant reputational incident such as negative sentiment propagated through social media
- The impact of a business interruption event, resulting in a two-week interruption arising from the supply chain impact, and interruption to one of our channels
- The occurrence of a one-time physical risk relating to climate change in FY 2026/27 and the materialisation of a severe but plausible ongoing market risk relating to climate change in line with a scenario reflecting a 2°C global temperature increase compared to pre-industrial levels
- The payment of a settlement arising from a regulatory or compliance-related matter
- The impact of not delivering the anticipated cost savings from the Burberry Forward transformation programme
- A short-term impact of a 10% weakening in a key non-sterling currency for the Group before it is recovered through price adjustment

This approach provides the Board reasonable comfort that the Group's going concern and viability positions have been assessed to a severity level, which more than accommodates the impact of one or more of the Group's principal risks.

Funding

In assessing the viability of the Group, the Directors have also considered the Group's current liquidity and available facilities (set out in note 26 of the Financial Statements), financial risk management objectives and hedging activities (set out in note 26 of the Financial Statements). In our central planning and severe but plausible downside scenarios, the Group maintained the necessary liquidity levels.

The Group has a £300 million 1.125% unsecured sterling Sustainability Bond which is due for repayment in September 2025, within the going concern and viability period.

The Group's central planning scenario includes the repayment of the £300 million Sustainability bond with existing cash and drawing the £75 million Revolving Credit Facility (RCF).

The viability assessment does not rely upon either the £75 million or £300 million RCFs being drawn, and instead assumes mitigating actions within management control would be taken including working capital measures, limiting capital expenditure and/or variable marketing costs.

Conclusion

Based on this assessment, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities over the period to March 2028.

The Strategic Report up to and including page 101 was approved for issue by the Board on 13 May 2025 and signed on its behalf by:

Gemma Parsons
Company Secretary

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CHAIR'S INTRODUCTION

"The Board continues to take opportunities to hear and understand the views of Burberry colleagues."

Dear Shareholder,

On behalf of the Board, I am pleased to present the Corporate Governance Report for the year ended 29 March 2025. This report describes Burberry's corporate governance framework and procedures. It also summarises the work of the Board and its committees to illustrate how we have discharged our responsibilities this year.

Areas of focus

As reported elsewhere in this Annual Report, FY 2024/25 brought a number of challenges both as a result of a difficult and volatile macroeconomic environment and matters specific to Burberry. It was more important than ever for the Board to focus on key issues to the benefit of all stakeholders. During the course of the year, I held 35 meetings with shareholders and also attended a meeting hosted by the Investor Forum to discuss business performance and governance topics, including in relation to our change of CEO. In all meetings I sought to reassure shareholders regarding the Board's focus on understanding and addressing reasons behind the decline in Burberry's performance.

Burberry Forward, our refreshed strategic plan, launched in November 2024, is a clearer articulation of Burberry's priorities and marks a return to focusing on our strongest categories and traditional core customers. Our Board meetings, which included an extended strategy session in October 2024, provided the Directors with a number of opportunities to engage with executive management from across the business during this period of transformation.

Further information on the Board's areas of focus during the year is set out on page 114.

Board changes during FY 2024/25

There were a number of Board changes during the year. Jonathan Akeroyd stepped down from the Board on 15 July 2024 and Debra Lee retired as a Non-Executive Director following the Annual General Meeting (AGM) on 16 July 2024.

We appointed Joshua Schulman to the Board as Chief Executive Officer on 17 July 2024. Josh's proven ability to build global brands and drive profitable growth are key credentials for leading Burberry into its next phase of transformation. In December 2024, we announced the appointment of Stella King who joined the Board as a Non-Executive Director and member of the Nomination Committee on 1 April 2025.

We have also announced that Fabiola Arredondo, Antoine de Saint-Affrique and Sam Fischer will not stand for re-election at the 2025 AGM. I would like to thank Debra, Fabiola, Antoine and Sam for their service to the Company and the extensive knowledge and experience they brought to Board discussions throughout their tenures.

More information on the appointment processes and induction programmes for Josh and Stella can be found in the Nomination Committee Report on page 126.

Board effectiveness

The Board conducted an internally facilitated evaluation of its effectiveness during the year and I am pleased to report that the outcome of the review confirmed that the Board and its committees continue to operate effectively. We also identified areas of focus for FY 2025/26 which are summarised on page 121. An update on our progress against the actions identified in the effectiveness review conducted in respect of FY 2023/24 is also provided on page 121.

One of my duties as Chair of the Board is to review the performance of my fellow Directors annually. The aim of this process is to ensure Board members are able to contribute to the best of their ability. Similarly, our induction process is designed to support new Directors and me help them to be effective in their roles as quickly as possible and, as such, it is critical to the continuing effectiveness of the Board. The Nomination Committee performed the annual review of Directors' time commitments and independence on behalf of the Board. Further information on its considerations are contained within the Nomination Committee Report on pages 123 to 127.

Colleague voice

During this period of change the Board continues to take opportunities to hear and understand the views of Burberry colleagues. We do this in a variety of ways, including through the Global Workforce Advisory Forum and town hall meetings. Attending these meetings provides my fellow Non-Executive Directors and me with opportunities to shine a light on Burberry's culture, witness how our values are embedded and hear about key issues and concerns directly from our colleagues across the business. The Global Workforce Advisory Forum meetings are a particularly valuable feedback mechanism and I am grateful to our Forum members for their participation as well as their frank and constructive comments and advice.

UK Corporate Governance Code reforms

Further to the reforms to the UK Corporate Governance Code published by the FRC in January 2024, we have been reviewing our governance framework and practices to understand the impact and ensure readiness to report against the new Code for FY 2025/26.

It was an active year for the Board as reflected in the number of additional Board and Board committee meetings held during the year. I am grateful to my fellow Board members for their engagement and continued commitment. I am pleased with the way our governance processes operated during the year and served to support Burberry for the long term.

Gerry Murphy
Chair

BOARD OF DIRECTORS

Burberry's Board is responsible for the long-term success of our Company and is accountable to its shareholders.

Committee key

- Chair
- A Audit Committee
- N Nomination Committee
- R Remuneration Committee

Skills key

- Retail/sales and marketing
- Financial expertise
- Luxury fashion
- Operational excellence/general management
- Digital and media
- Regional markets (China and Asia Pacific/Americas)
- Luxury brands (excluding fashion)
- Sustainability

Dr Gerry Murphy (69)

Chair N

Appointed as Chair: 12 July 2018

Appointed: 17 May 2018

Nationality: Irish/British

Board skills:

Key skills and experience

Gerry brings substantial international and senior management experience to the Board, in addition to in-depth knowledge of managing business transformations. His understanding of UK corporate governance requirements and extensive experience in the retail sector provides the Board with highly relevant and valuable leadership as Burberry continues to focus on delivering long-term sustainable value for all our stakeholders.

Current appointments

- Chair, Tesco plc
- Trustee, The Burberry Foundation
- Senior Advisor, Perella Weinberg
- Mentor, J&A Mentoring

Previous appointments

- Chair: Tate & Lyle plc and The Blackstone Group International (and partner in the firm's private equity investment unit)
- Non-Executive Director: British American Tobacco plc, Merlin Entertainments plc, Reckitt Benckiser plc, Abbey National plc and Novar plc
- CEO: Kingfisher plc, Carlton Communications plc (now ITV), Exel plc and Greencore Group plc

Joshua Schulman (53)

Chief Executive Officer

Appointed: 17 July 2024

Nationality: American

Board skills:

Key skills and experience

Joshua is an accomplished Chief Executive Officer who has held a number of CEO and senior executive roles at global luxury, fashion, and retail businesses. His extensive retail industry experience spans over 30 years across merchandising, wholesale and brand management in the US, Europe and Asia, with a strong track record of delivering brand transformations and driving growth globally. Joshua shares the Board's ambition to build on Burberry's unique British heritage to deliver growth and unlock the brand's full potential.

Current appointments

- Trustee and Director of the Elton John AIDS Foundation

Previous appointments

- CEO: Michael Kors, Coach, Jimmy Choo
- President: Bergdorf Goodman & NMG International
- Non-Executive Director: Farrow & Ball
- Senior executive roles: Yves Saint Laurent, Gucci

Kate Ferry (52)

Chief Financial Officer

Appointed: 17 July 2023

Nationality: British

Board skills:

Key skills and experience

Kate is a highly experienced Chief Financial Officer, having held roles in both public and private companies. In addition to her financial acumen, Kate has extensive experience driving business transformation and strategic development, and a deep understanding of public markets. She has particular expertise in the retail sector, as well as an excellent understanding of the luxury industry. In her early career, Kate was involved in numerous IPOs, including Burberry's in 2002. Kate is a Chartered Accountant.

Current appointments

- Non-Executive Director and Chair of the Audit Committee, Greggs plc
- Trustee and Chair of the Audit Committee, British Olympic Foundation

Previous appointments

- Chief Financial Officer, McLaren Group Limited
- Group Chief Financial Officer, Talk Talk Telecom Group PLC
- Corporate Affairs Director, DixonsCarphone PLC
- Director within the retail sector equity research team at Merrill Lynch

Orna NíChionna (69)

Senior Independent Director N R

Appointed: 3 January 2018

Nationality: Irish

Board skills:

Key skills and experience

Orna is a highly experienced Non-Executive Director and brings extensive international business knowledge, particularly in the consumer and retail sectors. She has a passion for sustainability as demonstrated through her role as Chair of The Eden Trust.

Having co-led the European Retail Practice at McKinsey & Company and subsequently held a number of advisory roles across retail and luxury goods businesses, she has a deep understanding of retail strategy, transformations and operating efficiency.

Current appointments

- Trustee and Deputy Chair, Institute for Fiscal Studies
- Trustee and Chair, The Eden Trust

Previous appointments

- Senior Independent Director: Saga, Bupa, HMV, Northern Foods and Royal Mail
- Non-Executive Director, Bank of Ireland UK
- Interim Chair, The National Trust
- Chair, Founders Intelligence
- Partner, McKinsey & Company and co-lead of its European Retail Practice

Fabiola Arredondo (58)

Independent Non-Executive Director N R

Appointed: 10 March 2015

Nationality: American

Board skills:

Key skills and experience

Fabiola built and led a major division of Yahoo! Inc. and brings relevant international, strategic and operational experience of internet and media sectors to the Board. Through her deep engagement with the World Wildlife Fund, Fabiola's background also includes overseeing sustainability initiatives. Her digital and consumer knowledge, coupled with her extensive international non-executive directorship experience equips her to provide critical insight into global market dynamics, digital innovation and sustainability challenges.

Current appointments

- Non-Executive Director: Campbell Soup Company and Fair Isaac Corporation
- National Council Member, World Wildlife Fund for Nature
- Member, Council on Foreign Relations
- Board Member, FINRA Board of Governors
- Managing Partner, Siempre Holdings

Previous appointments

- Non-Executive Director: Experian plc, BOC Group plc (now Linde Group), Saks Incorporated (now Hudson's Bay Company), Bankinter S.A., National Public Radio, Rodale Inc., Intelsat Inc., Sesame Workshop and the World Wildlife Fund UK and USA
- Senior executive roles at Yahoo! Inc., the BBC and Bertelsmann AG

Alessandra Cozzani (62)

Independent Non-Executive Director A N

Appointed: 1 September 2023

Nationality: Italian

Board skills:

Key skills and experience

Alessandra brings to Burberry both financial expertise and a profound understanding of the luxury market, having spent over 20 years at Prada Group. A highly experienced Chief Financial Officer, Alessandra's career spans a variety of finance roles, including financial management and control, accounting, tax, treasury and insurance, as well as investor relations. She started her career as an auditor at Coopers & Lybrand.

Current appointments

- Executive Director, Esselunga SpA (Italian grocer)

Previous appointments

- Group Chief Financial Officer and Executive Director of Prada SpA (listed in Hong Kong S.A.R., China), previously Group Investor Relations Director and other financial management roles within Prada Group

Sam Fischer (57)

Independent Non-Executive Director N R

Appointed: 1 November 2019

Nationality: Australian

Board skills:

Key skills and experience

Sam has a wealth of global leadership experience, including leading premium heritage brands from across the lifestyle and consumer sectors. He has a track record in driving business growth and a deep understanding of key Asian markets, which is an asset to Burberry as we continue to engage our communities in the region with innovative products and culturally relevant experiences.

Current appointments

- CEO, Lion Group

Previous appointments

- Senior executive roles at Diageo plc, including President, Asia Pacific and Global Travel, Executive Committee member, Managing Director for Greater China and Managing Director for South East Asia
- Various commercial and general management roles at Colgate-Palmolive, including Managing Director for Central Europe

Ron Frasch (76)

Independent Non-Executive Director A N R

Appointed: 1 September 2017

Nationality: American

Board skills:

Key skills and experience

Ron has spent over 30 years working in the retail industry. He has clear strategic acumen, strong leadership skills and wide-ranging experience of working with luxury fashion brands. While at Saks, he was instrumental in developing the company's private-label collections. Ron's merchandising skills and experience within the fashion industry will continue to play a pivotal role as we strengthen our performance in the luxury fashion market.

Current appointments

- CEO, Ron Frasch Associates LLC
- Non-Executive Director, Crocs Inc.

Previous appointments

- Non-Executive Director: MacKenzie Childs and Aztech Mountain
- President and Vice Chairman, Saks Fifth Avenue Inc.
- President and CEO, Bergdorf Goodman
- President of the Americas for an Italian licensing company of luxury fashion brands

Danuta Gray (66)

Independent Non-Executive Director R A N

Appointed: 1 December 2021

Nationality: British

Board skills:

Key skills and experience

Danuta is a highly experienced Non-Executive Director and Chair with a strong understanding of consumers, technology, sales and marketing within the UK and international business markets gained through her executive career. Her extensive UK plc board experience and understanding of UK governance requirements make her a strong asset to our Board.

Current appointments

- Chair: Direct Line Insurance Group plc and Croda International plc
- Board member, Employ Autism Development
- Trustee, The Resolution Foundation

Previous appointments

- Chair, St Modwen Property plc
- Senior Independent Director, Aldermore Bank plc
- Non-Executive Director and Remuneration Committee Chair: Old Mutual plc and Page Group plc
- Non-Executive Director: Paddy Power plc, Aer Lingus plc and UK Ministry of Defence
- CEO: Telefónica O2 and Executive Director, Telefónica Europe plc

Stella King (52)

Independent Non-Executive Director N

Appointed: 1 April 2025

Nationality: Italian

Board skills:

Key skills and experience

Stella brings a wealth of luxury industry experience and a deep understanding of Asian consumers, having worked in the Asia Pacific region for more than 30 years. As Chief Chinese Business Officer for Moncler, Stella was responsible for developing strategies to meet the needs of Chinese consumers all over the world. Prior to this role, Stella was President, Asia Pacific for Moncler where she played a pivotal role in driving growth in the region.

Current appointments

- Senior Advisor, Fountainvest Advisor Limited

Previous appointments

- Chief Chinese Business Officer, Moncler
- President Asia Pacific, Moncler
- President Asia Pacific, Sergio Rossi
- Non-Executive Director, Stone Island (part of the Moncler Group)

Antoine de Saint-Affrique (60)

Independent Non-Executive Director A N

Appointed: 1 January 2021

Nationality: French

Board skills:

Key skills and experience

Antoine has a wealth of experience in the consumer sector, having led a number of global brands throughout his career. As CEO of Danone, Antoine has put sustainability at the heart of the company's strategy, setting priorities which align purpose and performance. While CEO of Barry Callebaut, Antoine addressed the most pertinent challenges in the chocolate supply chain. His understanding of sustainability and the consumer market makes him a valued asset to our Board as we continue to focus on positively impacting the environment and our communities.

Current appointments

- CEO and Director, Danone

Previous appointments

- Non-Executive Director, Barry Callebaut
- CEO, Barry Callebaut
- President, Unilever Foods and member of the Group Executive Committee at Unilever plc
- Non-Executive Director, Essilor International

Alan Stewart (65)

Independent Non-Executive Director A N R

Appointed: 1 September 2022

Nationality: British

Board skills:

Key skills and experience

Alan has extensive corporate finance and accounting experience gained from a variety of industries, including retail and leisure. He has considerable executive leadership experience, including various Chief Financial Officer positions within top FTSE organisations. Alan is currently a member of Chapter Zero, a community of non-executive directors committed to achieving net zero targets, and was a founding member of the Accounting For Sustainability CFO network. His keen interest in sustainability is important to the Board in driving Burberry's climate change strategy. Alan qualified as a chartered accountant with Deloitte.

Current appointments

- Non-Executive Director and Chair of Audit & Risk Committee, Haleon plc

Previous appointments

- Non-Executive Director and Chair of Audit Committee, Diageo plc
- Non-Executive Director and Chair of Remuneration Committee, Reckitt Benckiser Group plc
- Non-Executive Director and Audit Committee Chair, Games Workshop Group
- Chief Financial Officer, Tesco PLC
- Chief Financial Officer, Marks & Spencer PLC

Gemma Parsons

Company Secretary

- Appointed: 1 October 2018
- Nationality: British

Gemma is a Fellow of the Chartered Governance Institute and has 30 years' company secretarial experience. She is a member of the Chartered Governance Institute's Company Secretaries' Forum and of the Association of General Counsel and Company Secretaries of the FTSE 100 (GC100).

Previous appointments

- Company Secretary, The Berkeley Group Holdings plc
- Deputy Company Secretary, Smith & Nephew plc
- Deputy Company Secretary, TSB Banking Group plc

Directors whose tenure ceased during FY 2024/25:

- Jonathan Akeroyd stepped down as CEO on 15 July 2024
- Debra Lee stepped down as Non-Executive Director on 16 July 2024

EXECUTIVE COMMITTEE

Joshua Schulman
Chief Executive Officer

Kate Ferry
Chief Financial Officer

Charlotte Baldwin
Chief Information Officer

Klaus Bierbrauer
Chief Supply Chain and Industrial Officer

Jonathan Kiman
Chief Marketing Officer

Alexandra McCauley
Chief People Officer

Paul Price
Chief Product, Merchandising and Planning Officer

Edward Rash
General Counsel

Changes to the Executive Committee since FY 2023/24

- Jonathan Akeroyd was a member of the Committee until 15 July 2024
- Joshua Schulman joined the Committee on 17 July 2024
- Gianluca Flore was a member of the Committee until 27 July 2024
- Jonathan Kiman joined the Committee on 9 September 2024
- Paul Price joined the Committee on 9 December 2024
- Mark McClennon was a member of the Committee until 31 December 2024
- Nick Pope was a member of the Committee until 31 December 2024
- Rod Manley was a member of the Committee until 31 December 2024
- Delphine Sonder was a member of the Committee until 31 December 2024
- Giorgio Belloli was a member of the Committee until 31 January 2025
- Charlotte Baldwin joined the Committee on 31 March 2025

CORPORATE GOVERNANCE REPORT

UK Corporate Governance Code compliance

For FY 2024/25, Burberry has applied the principles and provisions of the 2018 UK Corporate Governance Code (the Code) which is published by the Financial Reporting Council (FRC) and can be found on its website: frc.org.uk. The Board considers that the Company complied in full with the provisions of the Code during the year.

In January 2024, the FRC published a new version of the UK Corporate Governance Code, which will apply to Burberry from FY 2025/26, save for provision 29, which will apply from FY 2026/27. During the interim period, we have been assessing the impact of the new Code on our current governance framework and any changes we may want to consider to ensure alignment.

This Corporate Governance Report provides an overview of the Board's approach to governance and the work it has undertaken during FY 2024/25. Details on how we have complied with the Code's provisions and applied the Code's principles can be found throughout the Annual Report. Key highlights of the Company's compliance along with cross references to other sections of the Annual Report are detailed below.

How we apply the principles of the Code

	Pages
Board leadership and company purpose	
Chair's Introduction	103
Strategic Report	2 to 101
The role of the Board	118 to 120
Purpose and culture	112 and 113
Stakeholder and workforce engagement	43 to 45, 111
Division of responsibilities	
Board composition	119, 127
Role of the Chair, Senior Independent Director, Non-Executive Directors and Company Secretary	119
Time commitment, external appointments, independence and tenure	120, 125
Composition, succession and evaluation	
Appointment to the Board and succession planning	123 to 127
Skills, experience and knowledge of the Board	124
Board diversity	126 and 127
Board evaluation	121 and 122
Audit, risk and internal control	
Auditor independence and effectiveness of the audit	132
Principal and emerging risks	90 to 99
Risk management activities	90 to 99
Fair, balanced and understandable assessment	134
Viability Statement	100 and 101
Remuneration	
Directors' Remuneration Report	136 to 157
Directors' Remuneration Policy	140
Engagement with stakeholders on remuneration	138 and 139

Governance structure and division of responsibilities

The Board (supported by its Committees) is collectively responsible for how Burberry is directed and controlled. Its responsibilities include:

- Promoting Burberry's long-term success
- Setting its strategic aims and values
- Supporting leadership in delivering strategy
- Supervising and constructively challenging leadership on the operational running of the business
- Ensuring a framework of prudent and effective controls
- Reporting to shareholders on the Board's stewardship

More information on the Company's governance structure can be found on page 117.

Sustainability

Sustainability is an essential element of Burberry's strategy for which the Board is responsible. Accordingly, the Board is also responsible for ensuring its approach to sustainability is integrated into and implemented across the business, reflecting the increasing importance of these topics to the Group and society as a whole. The governance framework of committees and advisory forums (as shown in the diagram on page 117) provides regular updates and key information to the Board to ensure that it is able to make informed decisions. Sustainability is embedded into the remit of the committees where appropriate.

For more information on the Group's Environmental and Social priorities see pages 40 to 88.

Stakeholder engagement

At Burberry, we recognise that identifying our stakeholders and engaging purposefully is vital for informed decision-making and long-term success. In line with the Code, the Board prioritises understanding the perspectives and values of our key stakeholders, ensuring their voices are reflected in strategic decisions. Examples of key decisions that the Board made during the year and how key stakeholder groups were considered can be found on page 115.

Workforce engagement

The Board has chosen to engage with the workforce through the formally constituted Global Workforce Advisory Forum, in accordance with Code Provision 5. This forum facilitates direct dialogue with employees, enabling their perspectives to shape decision-making. The Board uses additional ways to understand employee views including the Employee Engagement Survey, site visits and town halls. During the year, Board members visited stores and operational sites worldwide, engaging directly with colleagues to gain first-hand insights into local challenges and opportunities.

Shareholder engagement

Our Investor Relations team conducted over 565 meetings with more than 280 investors during the financial year. In addition, our Chair, Independent Non-Executive Directors, Executive Committee and other members of senior management conducted in excess of 140 meetings with around 65 investors. This engagement included presentations to investors and analysts following the release of the Group's quarterly, half- and full-year results (available on the Group's website, Burberryplc.com) and meetings with the majority of the Group's 20 largest investors. Topics discussed in investor meetings included governance matters, such as management changes and remuneration, as well as strategy, regional performance and financial outlook. The team also arranged specific ESG engagements with investors and analysts.

Transparency and accountability underpin our approach to shareholder and wider stakeholder engagement. At the 2024 AGM, all resolutions were passed, but we acknowledged concerns as over 20% of votes opposed the reappointment of Antoine de Saint-Affrique as a Non-Executive Director. The Board discussed concerns with shareholders and investors explaining that the Board was fully satisfied that Antoine devoted exemplary time, effort and commitment to his role at Burberry, consistently upholding his time commitment and making significant contributions to decision-making. As announced on 18 December 2024, Antoine has since decided not to stand for re-election at the 2025 AGM.

Our Investor Relations and Company Secretariat departments act as the centre for ongoing communication with shareholders, investors and analysts. The Board receives regular updates about the views of the Group's major shareholders from these departments as well as through direct contact.

Further information on how Burberry has engaged with its key stakeholder groups can be found on pages 44 and 45.

MONITORING OUR CORPORATE CULTURE

The Board supports Burberry's purpose, culture and values through its decisions, strategy and policies. The Board monitors how the culture is embedded throughout Burberry using a number of mechanisms which are described in this report. There have been a number of significant changes during FY 2024/25, including the appointment of a new CEO, changes to the Executive Committee and the launch of an updated strategic plan, Burberry Forward. Following most of these changes, colleagues' feedback from the annual B:Heard Engagement Survey on company culture was generally neutral.

Throughout this period of transition, colleagues have exhibited resilience and confidence in the brand's rich heritage. The arrival of our new CEO, Joshua Schulman, has been met with a spirit of hopeful optimism, and his approach of transparency, consistency and open communication has been well received. One of the four Burberry Forward pillars, 'Reignite a High-Performance Culture', aims to cultivate a culture that will support the creation of sustainable value and advance our business objectives.
As we embark on this strategic journey, we are evolving from the six indicators previously used to measure culture to a refined set of four indicators that more closely align with our vision.

Our Culture Indicators

FY 2023/24 Culture Measure	FY 2024/25 Culture Measure	Description
Purpose Collaboration	Purpose and Belonging	• We create an environment where colleagues strive to achieve a clear goal and have a sense of pride working for Burberry
Execution	Organising for Growth	• We act with integrity, transparency and consistency to build trust, inspire engagement, and promote ethical behaviours
Humanity Integrity	Authentic Leadership	• Our leaders are genuine, self-aware, and guided by strong values
Learning	Talent at the Centre	• We prioritise the growth and development of our colleagues

Culture insight tools

The Board employs a range of strategies to actively listen to colleagues and collect feedback, gaining deeper insight into Burberry's culture.

Global Workforce Advisory Forum	• These hybrid sessions are attended by the Chair and one other Non-Executive Director to hear directly from colleagues from across the Group on topics that relate to Burberry's culture
Employee Resource Groups	• Employee Resource Groups (ERGs) are voluntary, colleague-led groups that help foster a diverse, inclusive culture within Burberry. Current ERGs include Disability and Neurodiversity Inclusion, LGBTQIA+, MOSAIC, Sustainability, Women in Tech and Working Parents
Colleague surveys	• Engagement and pulse surveys provide valuable insights into colleague sentiment. By assessing overall job satisfaction, perception of culture, leadership and organisational values, they help identify areas for improvement. As part of our B:Heard Listening Strategy, Burberry hosts two surveys annually, an Engagement Survey and a Pulse Survey
Global town hall feedback	• After each global town hall, we encourage colleagues at all levels to share their thoughts and concerns on the topics discussed. This open feedback loop fosters transparency, builds trust and keeps leadership connected to colleague perspectives
Internal communications platforms	• We leverage our internal communication platforms to measure engagement, reach and cultural alignment. Insights from these platforms help refine our communication strategies, enhance transparency and foster a culture of growth and open communication across the organisation
Learning platforms	• We use our newly deployed learning platform, Go1, to assess and strengthen a culture of continuous development by analysing learning trends through participation rates, popular topics and collaboration levels that reveal how well our culture supports growth, innovation and inclusivity

Culture indicators

Purpose and Belonging

The path to reigniting a high-performance culture includes building a sense of belonging by aligning our colleagues' intrinsic motivations to our Company values. During the significant transitions in the summer and autumn of FY 2024/25, we noted a neutral engagement score on the Pulse and Engagement Surveys. The neutral response is balanced by a strong and consistent sense of pride in Burberry's heritage across the Company. Following the launch of Burberry Forward, representatives of the Board met with the Global Workforce Advisory Forum to gather feedback on the Burberry Forward strategy. Colleagues shared encouraging feedback, with many expressing increasing optimism that the updated strategy and changes to leadership represent proactive steps toward securing Burberry's future.

Organising for Growth

We are committed to creating a culture where colleagues feel empowered, equipped and driven to consistently deliver world-class standards. The Engagement Survey revealed that colleagues have a have a good understanding of what is expected of them. However, some dissatisfaction exists regarding Burberry's decision-making processes. In light of these insights, the Executive Committee promptly established a Decision-Making Working Group that includes colleagues from various business areas to examine how to improve decision-making at Burberry. At the date of this report, the working group had met ten times and identified key areas to further explore to enhance decision-making at Burberry.

Authentic Leadership

Recognising that leaders are pivotal in cultivating a strong company culture, we are committed to creating an environment where leaders exemplify Burberry's values. Through the surveys we hear that in general, colleagues feel supported by their line managers and are encouraged to seek new and better ways to accomplish tasks. To empower our leaders with the necessary tools and insights to effectively guide their teams, we have made significant strides in increasing the number of engagement moments with our leaders.

Talent at the Centre

The growth of our colleagues is a priority, and we are focused on ensuring they have the effective frameworks and support to empower their professional development. To provide all colleagues with the opportunity to own and enhance their career development, we launched the Go1 learning platform. Go1 is a world-leading, one-stop content library that gives all colleagues access to training from over 200 external providers and industry leaders, as well as our custom compliance and learning content.

In addition to the self-paced learning opportunities through Go1, we also offered three targeted development programmes for colleagues in management positions. Burberry continues to provide apprenticeship programmes for our permanent colleagues based in England, in collaboration with an accredited external provider. These courses cover a wide range of topics relevant to various functions within our organisation. More information about these can be found on page 38.

Conclusion

To drive Burberry Forward, we are focused on reigniting a high-performance culture where our people feel a sense of belonging, motivation and responsibility, and have a desire to succeed. We will continue to listen to our colleagues and show that we have heard them by following through on actions and communicating those changes at pace.

PRINCIPAL AREAS OF FOCUS FOR THE BOARD DURING FY 2024/25

Area of focus	Outcome
Strategy and Operations	
• Approve the Burberry Forward strategic refresh, supported by the four pillars representing strategic objectives • Review marketing plan • Review of regional updates • Receive progress report on organisational design programme • Consider market trends and their implications for areas of strategic focus, including operational priorities, product evolution and marketing	• Communication of the Burberry Forward strategic plan with the half-year results in November 2024 • Questioning, challenging and providing feedback to the leadership team and supporting the programmes undertaken
Finance	
• Review of the FY 2024/25 budget and review of the FY 2025/26 budget and three-year budget forecasts • Review and scrutinise full- and half-year financial results and trading announcements • Review of capital allocation and financing • Consider optimal store portfolio and capital expenditure for flagship store offering • Review operational expenditure	• Approval of the FY 2024/25 budget and support for the FY 2025/26 budget • Approval of Annual Report and Financial Statements • Approval of a £450 million 5.75% bond due June 2030 to be used for general corporate purposes • Approval of an extension to the term of the Group's £300 million Revolving Credit Facility (RCF) to November 2027 and an additional £75 million RCF to March 2027 • Decision to suspend dividend payments for FY 2024/25 • Approval of store openings, closures and refurbishment
Culture and Colleagues	
• Assess and monitor culture through the colleague Engagement Survey and various metrics • Review progress against the Diversity, Equity and Inclusion strategy • Consider People priorities for FY 2024/25	• Support for the initiatives presented by leadership including those which support the Reignite a High-Performance Culture pillar of the Burberry Forward transformation programme
Corporate Responsibility	
• Consider proposals for charitable and community activities and investment for FY 2024/25 • Review environmental targets • Review of the Company's Modern Slavery Statement • Review of proposed environmental priorities further to updates from the Sustainability Committee	• Approval of donation of £3.7 million for social and community causes worldwide • Approval of the Company's Modern Slavery Statement • Approval of environmental targets
Risk	
• Review of Group's risk appetite • Review of emerging and principal risks	• Approval of tolerance levels of principal risks • Approval of the Group's risk appetite
Governance	
• Conduct the annual Board effectiveness review • Review of investor sentiment • Engage with employees, including through attendance at the Global Workforce Advisory Forum • Annual review of governance-related policies	• Agree the key areas of focus arising from the Board effectiveness review • Approve the appointment of a new CEO and a new Non-Executive Director • Board insight and awareness of colleague sentiment

KEY DECISIONS DURING FY 2024/25

As explained in the Section 172 statement on page 43, the Board took the views of key stakeholders into account when making decisions and conducting Board business. Two of the key decisions taken by the Board during FY 2024/25 are set out below, with an explanation of the stakeholder engagement methods used and how the information gathered from stakeholders informed the Board's decisions.

Review of the Capital Allocation Framework and decision to withdraw the dividend for FY 2024/25

How the Board reached the decision

In July 2024, the Board decided to suspend dividend payments to shareholders for FY 2024/25 and to take other financial measures to protect the balance sheet and the capacity to invest in Burberry's long-term growth. The Board reviewed the forecast for financial performance, the likely impact of macroeconomic factors and the Group's funding position. The Board had detailed discussions, supported by the Company's brokers.

Likely long-term consequences of the decision

The Board considered the impact that conserving cash and protecting the balance sheet would have on the Company's ability to make investments which would support Burberry's growth and viability in the long term.

How stakeholder interests were taken into account:

Shareholders – The Board determined that it was in shareholders' interests to take these measures in order to preserve the long-term financial health of the Group.

People – The measures taken to improve the financial position would assist in preserving and creating jobs in the long term.

Partners – Securing Burberry's long-term future would support our business partners' and suppliers' future.

Lenders and debt holders – The impact of not paying dividends on whether the business remained within the financial covenants agreed with lenders.

Key stakeholders

Customers	Communities
Shareholders	Government
People	Partners

Approve the Burberry Forward strategic refresh

How the Board reached the decision

The Board of Directors conducted an in-depth review of the strategy during the year. The Board's deliberations included presentations, led by the CEO, from members of the Executive Committee and senior leaders covering all aspects of the business including brand and communications, product, channel optimisation, supply chain and financial performance, as well as trends in luxury fashion. The Board approved the Burberry Forward strategic refresh and four supporting pillars which are explained in the Strategic Report on pages 13 to 17.

Likely long-term consequences of the decision

Implementation of Burberry Forward is expected to support growth and a positive financial performance in the long term.

How stakeholder interests were taken into account:

Customers – The Board considered how to reignite desire for the brand and develop a product strategy to delight the customer, as well as how to ensure a customer-focused approach across all channels.

Shareholders – The Board's view is that the strategic refresh promotes the sustainable performance of the Group for the long term.

People – The focus on a high-performance culture which should lead to improved colleague engagement and an enhanced sense of belonging.

Board meetings and attendance

The Board held eight formal meetings during the financial year, including an in-depth strategy session in London. If any Director is unable to attend a meeting, they are given the opportunity to provide feedback on the accompanying material in advance of the meeting. Details of attendance at Board and Committee meetings can be found below.

During the year, the Board and Committee agendas were shaped to ensure that discussion was focused on our key strategies and responsibilities, as well as reviews of significant issues arising during the year, such as changing macroeconomic and geopolitical conditions. The Group's ongoing performance against strategic priorities is reviewed at all scheduled meetings.

The Chair and Non-Executive Directors held a closed session without management present at each Board meeting. Throughout the year, Directors spent time meeting investors and interviewing candidates for both executive and non-executive roles. In addition, Directors undertook store and site visits and attended our fashion shows, town halls, brand events and meetings of the Global Workforce Advisory Forum.

Directors' attendance at Board and Committee meetings during FY 2024/25

The attendance record below shows total eligible meetings.

	Board	Audit	Nomination	Remuneration
Gerry Murphy	8/8	–	5/5	–
Joshua Schulman	4/4	–	–	–
Jonathan Akeroyd[1]	1/1	–	–	–
Kate Ferry[2]	7/8	–	–	–
Orna NíChionna	8/8	–	5/5	7/7
Fabiola Arredondo[4]	8/8	–	5/5	5/7
Alessandra Cozzani	8/8	5/5	5/5	–
Sam Fischer[4]	7/8	–	5/5	6/7
Ron Frasch[4]	7/8	5/5	5/5	7/7
Danuta Gray	8/8	5/5	5/5	7/7
Debra Lee[3]	4/4	1/1	1/1	–
Antoine de Saint-Affrique	8/8	5/5	5/5	–
Alan Stewart	8/8	5/5	5/5	7/7

1. Jonathan Akeroyd retired from the Board on 15 July 2024.
2. Kate Ferry was unable to attend one meeting due to a short period of medical leave.
3. Debra Lee retired from the Board following the last AGM on 16 July 2024.
4. All Directors attended all scheduled meetings. Any absences noted above were due to a meeting being held at short notice.

Productivity

The Company continues to demonstrate and develop improving levels of productivity, owing to strong human capital, training and development programmes, and focus on elevating the customer experience throughout our distribution and retail networks. Further information about these aspects of the business is provided on pages 22 to 29 and 37 to 39.

Tax Governance Framework

The CFO is responsible for the Group Tax strategy, the effectiveness of tax risk management, tax processes and transparency of disclosures. The strategy is implemented by the global Tax and Trade Compliance teams with the assistance of the Finance leadership team. Compliance with the Group Tax strategy is reviewed on an ongoing basis as part of the regular financial planning cycle. The Audit Committee is responsible for reviewing the Group Tax strategy at least once a year and significant tax matters as they arise.

Further information regarding the Group Tax strategy can be found on page 88 and is provided on Burberryplc.com.

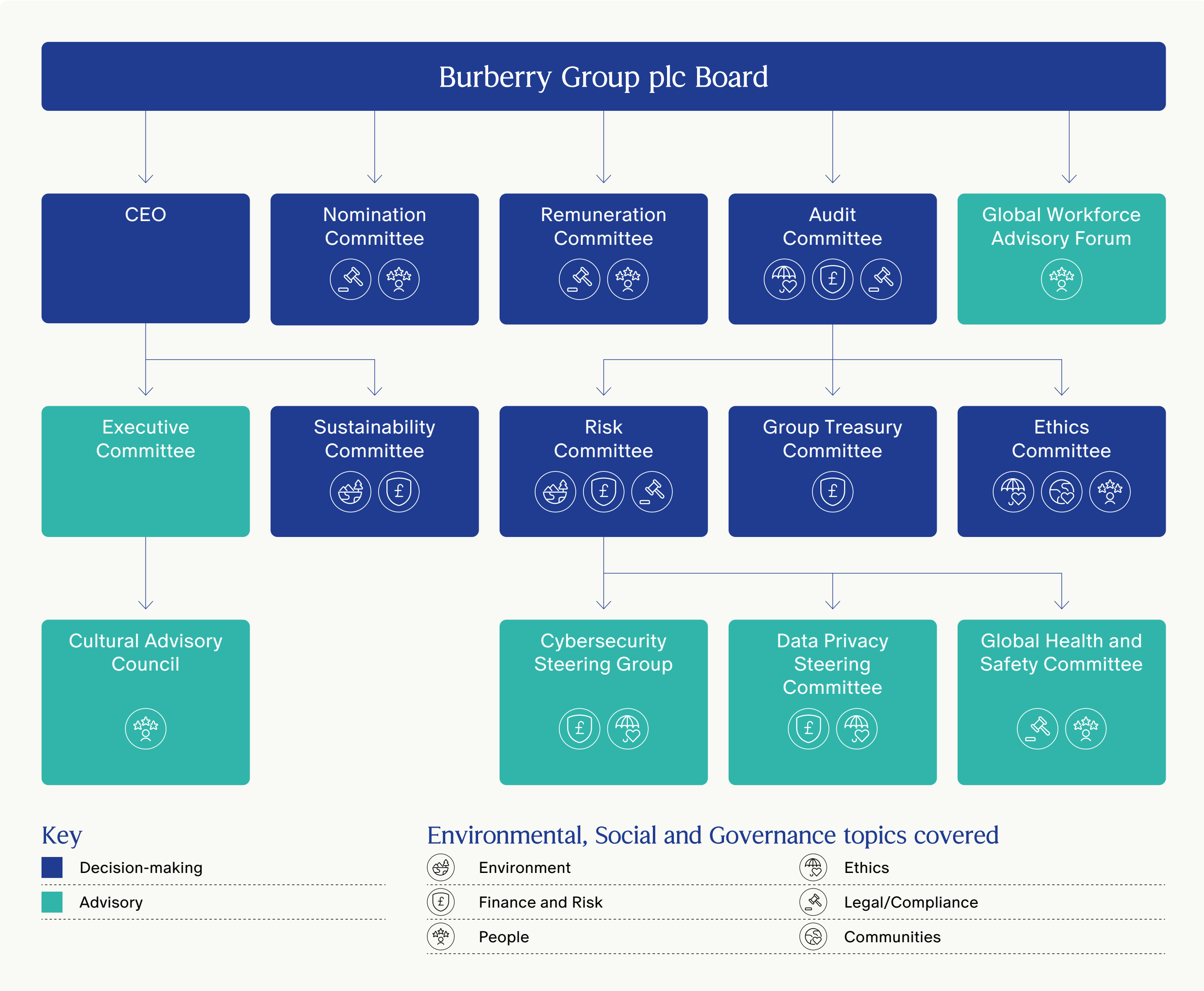
Share capital

Information about the Company's share capital, including substantial shareholdings, can be found in the Directors' Report on page 158.

GOVERNANCE STRUCTURE AND DIVISION OF RESPONSIBILITIES

Governance structure at Burberry

The diagram below illustrates Burberry's governance structure, flowing from the Board, which comprises committees and advisory forums. Each has a defined scope, covering one or more of our key Environmental, Social and Governance topics, and has a formalised reporting line. This structure ensures important matters are monitored by the right people and establishes an information flow to the Board, enabling it to make informed decisions and deliver its strategy. Further information on the role of the Board and its principal Committees is on page 118.



Roles and responsibilities

The Board

The Board is responsible for promoting Burberry's long-term sustainable success. This is achieved through the establishment of an effective governance framework, which the Board oversees, and keeping the interests of stakeholders at the fore in decision-making. Information flows up and down the governance framework to ensure that all decision-making is well-informed, transparent and balanced.

The Board establishes the Group's purpose and values, and sets the Group's strategy, including sustainability and climate goals, ensuring alignment with our culture, and overseeing its implementation by management. The Board is also responsible for oversight of the Group's internal control and risk management, including the Group's risk appetite.

Specific matters have been reserved for approval by the Board. Details of the Board's key areas of focus during FY 2024/25 can be found on page 114, and a full schedule of matters reserved for the Board's decision is available in the Corporate Governance section of Burberryplc.com. Biographies of the members of the Board can be found on pages 104 to 108, and the individual roles of Directors and the division of responsibilities between them can be found on page 119.

The Board has established Committees to assist with exercising its authority.

Audit Committee

Chaired by Alan Stewart

Monitors the integrity of Financial Statements, including disclosures associated with the TCFD and provides assurance to the Board that the Group's internal financial controls and risk management systems are appropriate and regularly reviewed. Reviews the Internal Audit programme, and oversees the work of the external auditor, approving their remuneration and recommending their appointment on behalf of the Board.

The Audit Committee is supported by the Ethics Committee, the Risk Committee and the Group Treasury Committee.

The Audit Committee Report can be found on pages 128 to 135.

Remuneration Committee

Chaired by Danuta Gray

Determines the policy for Executive Director remuneration, aligning with Burberry's long-term strategic goals, and having regard to the views of shareholders or stakeholders. Sets the remuneration for the Chair, Executive Directors and senior management.

Oversees the wider employee reward policies.

The Directors' Remuneration Report can be found on pages 136 to 157.

Nomination Committee

Chaired by Gerry Murphy

Reviews the composition of the Board to ensure it remains appropriate, so the Board is best placed to fulfil its role. Ensures plans are in place for the orderly succession of both Board and senior leadership positions. Oversees the formal, rigorous and transparent procedure for the appointment of new Directors, keeping in mind the importance of diversity in all its forms and balancing skills and experience, and ensuring alignment to purpose, values and culture.

The Nomination Committee Report can be found on pages 123 to 127.

The Committees may engage third-party consultants and independent professional advisors. They may also call upon other Group resources to assist them in discharging their respective responsibilities. In addition to the Committee members and the Company Secretary, external advisors and, on occasion, other Directors and members of our senior management team attend Committee meetings at the invitation of the Chair of the relevant Committee.

The terms of reference for the Audit Committee, Remuneration Committee and Nomination Committee can be viewed in the Corporate Governance section of Burberryplc.com.

CEO

The Board delegates the day-to-day responsibility for running the Group to the CEO, who is responsible for all commercial, operational, risk and financial elements of the business. The CEO is also responsible for the management and development of the strategic direction of the Group, for consideration and approval by the Board.

Executive Committee

The Executive Committee assists the CEO in implementing the strategy as approved by the Board. Executive Committee members are invited, as appropriate, to Board, Board Committee and strategy meetings to inform and update the Board on their areas of responsibility.

Board roles and the division of responsibilities

Our Board currently comprises 12 members: the Chair, the CEO, the CFO and nine independent Non-Executive Directors who are experienced and influential individuals, drawn from a wide range of industries and backgrounds with the skills to promote the long-term sustainable success of the Group. The Board has determined that all Non-Executive Directors are independent and the Chair was also considered to be independent on appointment.

Directors' biographies, tenures, key skills and experience and external appointments are set out on pages 104 to 108.

All Directors are appointed to the Board for an initial fixed three-year term, subject to annual re-election by shareholders at the Company's AGM. In accordance with the Code, all Directors, with the exception of Fabiola Arredondo, Sam Fischer and Antoine de Saint-Affrique, will retire and offer themselves for re-election at the 2025 AGM. Joshua Schulman and Stella King, who joined the Board on 17 July 2024 and 1 April 2025, respectively, will offer themselves for election, having joined the Board since the last AGM.

To ensure the Board performs effectively, there is a clear division of responsibilities between the leadership of the Board and the executive leadership. The roles of the Chair, CEO and Senior Independent Director are agreed by the Board and are available to view in the Corporate Governance section of Burberryplc.com.

Our Chair

- Responsible for the Board's overall effectiveness in directing Burberry
- Chairing Board meetings, Nomination Committee meetings and the AGM, setting the Board agenda, and ensuring Directors receive accurate, timely and clear information
- Ensuring there is effective communication between the Board, management, colleagues, shareholders and the Group's wider stakeholders
- Promoting a culture of openness and constructive debate, and facilitating effective contributions from all Non-Executive Directors
- Overseeing the annual Board effectiveness review and addressing any subsequent actions
- Promoting the highest standards of corporate governance
- Ensuring the views of stakeholders are taken into account when making decisions

Our Senior Independent Director

- Acting as a sounding board for the Chair
- Acting as an intermediary for the other Directors, where necessary
- Chairing meetings in the absence of the Chair
- Being available to shareholders and stakeholders if they have any concerns which they have been unable to resolve through normal channels
- Together with the Non-Executive Directors, assessing the performance of the Chair on an annual basis
- Leading the search and appointment process and recommendation to the Board of a new Chair, if necessary

Our Non-Executive Directors

- Providing effective and constructive challenge to the Board and scrutinising the performance of management against agreed performance objectives
- Leading the appointment process for Executive Directors
- Assisting in the development and approval of the Group's strategy
- Reviewing Group financial information and ensuring there are effective systems of governance, risk management and internal controls in place
- Ensuring there is regular, open and constructive dialogue with shareholders
- Offering specialist knowledge to the Board

Our CEO

- Day-to-day management of the Group and leading the Executive Committee
- Responsible for all commercial, operational, risk and financial elements of the Group
- Developing the Group's strategic direction and implementing the agreed strategy, as approved by the Board
- Ensuring effective communication and information flows to the Board and the Chair
- Representing the Group to external stakeholders
- Responsible for the oversight of the following key functions: Design, Marketing, Digital, Merchandising, Supply Chain, Corporate Affairs, Human Resources, Strategy, Global Commercial, Corporate Responsibility, Corporate Communications and IT
- Responsible for oversight of Burberry's sustainability agenda and climate goals

Our CFO

- Supporting the CEO in developing the Group's strategy and its implementation
- Overseeing the global Finance and Business Services functions and developing the Group's Capital Allocation Framework
- Responsible for establishing financial planning and maintaining adequate internal controls over financial reporting
- Representing the Group to external stakeholders
- Responsible for the oversight of the following key functions: Investor Relations, Internal Audit and Risk Management, Business Continuity, Burberry Business Services, Finance, Insurance, Tax, Treasury and Trade Compliance

Our Company Secretary

- Providing advice and support to the Chair and all Directors
- Ensuring the Board receives high-quality information and resources in a timely manner so that the Board can operate effectively at meetings and carry out its duties
- Assisting the Chair and Committee Chairs in setting the agenda for Board and Committee meetings
- Advising and keeping the Board up to date with all matters of corporate governance through regular papers and updates at meetings
- Facilitating the induction programme for new Directors and, together with the Chair, assessing ongoing training needs for all Directors

Time allocation

Executive Directors

Our Board's Executive Directors are permitted to hold one external non-executive directorship. Joshua Schulman is a director and trustee of The Elton John AIDS Foundation, a charitable foundation. Kate Ferry is an independent non-executive director of Greggs plc.

Non-Executive Directors

Each of our Non-Executive Directors has a letter of appointment which sets out the terms and conditions of their directorship. The Non-Executive Directors are expected to devote the time necessary to perform their duties properly. This is expected to be approximately 20 days each year for basic duties. The Chair and Senior Independent Director are expected to spend additional time over and above this to carry out the extra responsibilities their roles entail. A summary of these roles can be found on page 119 and full descriptions can be found in the Corporate Governance section of the Group's website, Burberryplc.com.

The Board has noted changes to Non-Executive Directors' external appointments during the year and confirms that they were not perceived to impact their responsibilities to the Company. In accordance with the authority delegated by the Nomination Committee, the Chair reviewed and approved in advance the appointment of Alan Stewart as a non-executive director of Haleon plc. In making this decision, the Chair was satisfied that Alan would be able to continue to devote the necessary time for the proper performance of his role at Burberry.

The Board also considered Gerry Murphy's appointment as a non-executive director and chair of Tesco plc and Danuta Gray's appointment as a non-executive director and chair of Croda International plc; and were content that both Gerry and Danuta continue to have sufficient time to undertake their roles at Burberry.

The Board considers that the Chair and all Non-Executive Directors have fulfilled their required time commitment during FY 2024/25. In making this assessment the Board considered the views of certain shareholders regarding Antoine de Saint-Affrique's time commitments, further details of which can be found on page 111.

Independence of Non-Executive Directors

Each year, in accordance with its terms of reference, the Nomination Committee reviews the independence of the Non-Executive Directors (excluding the Chair), taking into account a range of factors, including those set out in Provision 10 of the UK Corporate Governance Code.

As part of their deliberations for FY 2023/24, the Nomination Committee gave particular regard to Fabiola Arredondo who was appointed to the Board in March 2015 and has therefore served on the Board for just over 10 years. Following the review, the Nomination Committee concluded that Fabiola's independence was not compromised and that all Non-Executive Directors continue to be independent.

Please see page 125 for further information on the independence assessment performed by the Nomination Committee.

Induction and training

The Company Secretary assists the Chair in designing and facilitating a formal induction programme for new Directors and their ongoing training. Each newly appointed Director receives a formal and tailored induction programme to enable them to function effectively as quickly as possible, while building a deep understanding of the business. Each induction typically consists of meetings with both Executive and Non-Executive Directors and briefings from senior managers across our key business areas and operations. In addition, Non-Executive Directors are provided with opportunities to visit key stores, markets and facilities. This includes visits to our various operating facilities in the UK and in their country or territory of residence.

Following the initial induction for Non-Executive Directors, an understanding of the business is developed through ongoing meetings and engagements as appropriate. Details of the induction programmes implemented for Joshua Schulman and Stella King are set out in the Nomination Committee Report on page 126.

The Chair considers the training needs of individual Directors on an ongoing basis, and the Board has direct access to the advice and services of the Company Secretary. To carry out their duties, Directors may also obtain independent professional advice, if necessary, at the Group's expense.

Managing conflicts of interest

All Directors have a duty under the Companies Act 2006 to avoid a situation in which they have, or could have, a direct or indirect conflict of interest or possible conflict of interest with the Company and/or the Group.

Under the Company's Articles of Association, the Board has the authority to approve situational conflicts of interest. It has adopted procedures to manage and, where appropriate, approve such conflicts.

Authorisations granted by the Board are recorded by the Company Secretary in a register and are noted by the Board at its next meeting. A review of situational conflicts that have been authorised is undertaken by the Board annually.

Following the last review, the Board concluded that the potential conflicts had been appropriately authorised, that no circumstances existed which would necessitate that any prior authorisation be revoked or amended and that the authorisation process continued to operate effectively.

COMPOSITION, SUCCESSION AND EVALUATION

Board evaluation

Evaluating our performance

The Board undertakes a formal annual review of its effectiveness, which is designed to help identify opportunities to improve and enhance its own performance and that of the Group. The evaluation process is led by the Chair and includes a review of the effectiveness of the Board as a whole, the Board's Committees and each individual Director. Every three years the review is facilitated externally in accordance with the Corporate Governance Code. The last externally facilitated review was completed for FY 2023/24.

This financial year the Board decided to conduct an internal effectiveness review utilising the Board Outlook platform which provides a customisable questionnaire-based framework designed to use data and analytics to identify both strengths and opportunities for improvement. The questionnaires were finalised by the Chair and the Chairs of the Audit, Nomination and Remuneration Committees, supported by the Company Secretary. In addition to Board members, members of the executive and senior management team who regularly attend Board and/or Board Committee meetings were invited to complete the questionnaires. The Chair also met with each Director to consider individual performance to supplement the review.

The challenging market conditions and leadership changes experienced during FY 2024/25 were reflected through the feedback and highlighted the need for the Board to embed key lessons learned during the period, strengthen ways of working and refocus on long-term value creation to ensure sustained resilience and growth. Key themes and takeaways were identified across areas of stronger performance and opportunities for improvement.

A number of strengths were identified through the review process, including:

- The Board is aligned on the key operational priorities for the business
- The Board culture is collaborative, responsive and built on trust
- The commitment to sustainability is well-articulated, aligning the Board with global standards and demonstrating strong ethical sourcing and supply chain oversight
- Stakeholder management is proactive, particularly with shareholders
- The Board/management relationship is collaborative and the information flow is timely

The review also identified potential areas for development and action which have been agreed by the Board and are set out below. Progress against these areas of focus will be monitored during FY 2025/26.

Having discussed the results of the review, the Board confirmed its view that the Board continues to operate effectively within an inclusive and transparent environment and that the Audit, Nomination and Remuneration Committees continue to operate well and to provide effective support to the Board in carrying out its duties. Further information about the effectiveness evaluations of each of the Committees and of individual Directors conducted during the year can be found on pages 123, 128 and 139.
The Nomination Committee Report includes details on page 124 of the evaluation of skills and experience of the Directors.

In addition to the formal Board effectiveness review process, the Senior Independent Director held a meeting of the Non-Executive Directors, without the Chair being present, to review his performance during the year. The review confirmed that Gerry Murphy is an effective Chair who is well respected by the Board. He has continued to provide strong leadership throughout FY 2024/25.

Areas of focus for FY 2025/26

Based on the feedback received during the assessment process, the Board agreed on the following areas of focus, which will be monitored during the year.

Area for development	Action
Strategy and operations	• Further embed leading indicators and risk dashboards into the Board's ways of working to strengthen oversight of commercial and operational performance, enhance decision-making and support the delivery of short- and long-term strategic goals • Enhance monitoring of digital transformation, disruption and innovation • Enhance monitoring of supply chain efficiency, resilience and geopolitical risk • Enhance the Board's awareness of current and evolving competitive landscape and consumer trends
People and resources	• Undertake a thorough review of Board members' collective critical skills and experience relative to Burberry's future business needs to optimise Board succession planning
Board ways of working	• Review of Board processes and papers to support better oversight and decision-making

Progress update on focus areas identified following FY 2023/24 Board effectiveness review

Area for development	Action
Strategy and operations	
• The Board and management team will work together to refine the key strategic priorities and determine a definitive plan and timetable for their implementation. Clear operational milestones and KPIs will be agreed in order to measure progress and enable effective oversight of strategy implementation	Management instigated a review of the value proposition in conjunction with external advisors to consider proposed adjustments to brand positioning, product and customer segment prioritisation and the outputs were discussed with the Board. Building on this work, the CEO presented a refreshed strategy and ambition to the Board across four strategic pillars: Brand and Communications, Product, Channel and Supply Chain together with proposals to Reignite a High-Performance Culture in order to translate the strategy into action and deliver the ambition. Specific action plans for each of the strategic pillars were also discussed with the Board. The Board confirmed its support for the strategic direction outlined by management and the plan was further refined and finalised as Burberry Forward, which was announced in November 2024 alongside the 2025 half-year results. A schedule of KPIs to track delivery of the plan was subsequently developed.
• Develop a clear action plan to deliver growth in Burberry's e-commerce business together with key metrics which enable progress to be measured	The Board received updates on Burberry's e-commerce business in July and October 2024 and new KPIs have been identified to enable progress to be measured.
People and resources	
• Ensure the organisation structure, roles, responsibility and accountability are clear and configured to support strategy execution	There were a number of changes to key roles during FY 2024/25. Since joining Burberry in July 2024, the CEO has reviewed the leadership team to ensure it is appropriately configured to support the execution of Burberry Forward.
• Ongoing focus on the talent agenda, including leadership team succession and development. The Board will also welcome opportunities for Non-Executive Directors to engage with management on a more informal basis	The Nomination Committee has received updates from the CEO and Chief People Officer on organisational evolution and key talent, succession and development. Board members continue to attend town halls, visit stores and factories and attend public events when possible, all of which enable them to engage with management and colleagues regularly.
Board ways of working	
• Revisit Board agendas and papers to ensure sufficient focus on key strategic pillars and areas where Board input will help drive the business forward	This is an ongoing action with additional items being introduced where necessary to ensure that Board meetings are focused on discussing key strategic topics.

REPORT OF THE NOMINATION COMMITTEE

Gerry Murphy
Chair, Nomination Committee

Areas of focus during FY 2024/25

> Recruitment of new CEO

> Board succession planning

> Board composition and diversity

> Annual review of corporate governance requirements

"To be effective, the Committee must react to Burberry's circumstances and consider the skills and attributes required to address Burberry's long-term needs."

Dear Shareholder,

On behalf of the Nomination Committee, I am pleased to present this report which describes how we carried out our responsibilities during the year. While my introductory letter focuses primarily on changes to Board membership, this report also covers the Committee's responsibilities, new Director selection and induction processes, Board composition and diversity, and Directors' time commitments.

See page 124 to read about Board succession planning.

See page 126 to read about CEO and Non-Executive Director induction.

See pages 126 and 127 to read about Board diversity.

Succession planning

During FY 2024/25, the Committee continued to focus on Board succession planning. Our aim is to build a Board which has the requisite skills and experience to support executive management in the execution of Burberry's strategy and in realising Burberry's full potential. To be effective, the Committee must react to Burberry's circumstances and consider the skills and attributes required to address Burberry's long-term needs.

In July 2024, the Committee recommended to the Board the appointment of Joshua Schulman as CEO. Josh is a proven leader with an outstanding record of building global luxury brands and driving profitable growth. He had initially been short-listed in our search for a new Non-Executive Director with luxury experience and so was well known to the Nomination Committee when our search extended to include potential future CEOs.

The Committee also oversaw the search and appointment of Stella King as a Non-Executive Director and member of the Nomination Committee on 1 April 2025. Stella brings considerable experience in Burberry's core category of outerwear and has extensive knowledge of Asian markets.

In line with the Committee's ongoing work to refresh Board composition, it was announced in December 2024 that Fabiola Arredondo and Antoine de Saint-Affrique would step down as Non-Executive Directors following the AGM in July 2025. In May 2025 we announced that Sam Fischer would also step down as a Non-Executive Director following the AGM in July 2025.

In the second half of FY 2024/25, the Committee considered and approved updates from the CEO on his review of the leadership team ahead of implementing changes.

The Committee remains committed to ensuring Burberry has a balanced Board which supports the Company's long-term success.

Committee effectiveness

The Committee's annual performance review confirmed that the Committee operates effectively and took account of the long-term needs of the business in its approach to Board succession planning and recruitment during the year.

Gerry Murphy
Chair, Nomination Committee

Committee member	Member since	Meeting attendance
Gerry Murphy (Chair)	17 May 2018	5/5
Fabiola Arredondo	10 March 2015	5/5
Alessandra Cozzani	1 September 2023	5/5
Sam Fischer	1 November 2019	5/5
Ron Frasch	1 September 2017	5/5
Danuta Gray	1 December 2021	5/5
Debra Lee[1]	1 October 2019	1/1
Orna NíChionna	3 January 2018	5/5
Antoine de Saint-Affrique	1 January 2021	5/5
Alan Stewart	1 September 2022	5/5

1. Debra Lee resigned from the Committee on 16 July 2024 on her retirement from the Board.

Summary of meetings

The Committee met five times during FY 2024/25, including unscheduled meetings called to deal with ongoing processes and ad hoc matters as they arose. Details of attendance at Committee meetings are set out above. Stella King joined the Committee on 1 April 2025 on her appointment as a Non-Executive Director.

Committee role and responsibilities

As set out in the terms of reference, which are available on Burberryplc.com, the Committee has responsibilities across three main areas:

Board composition

- Reviews the structure, size and composition of the Board and its committees to ensure the right balance of skills, knowledge, experience, diversity and independence
- Identifies and makes recommendations to the Board on suitable candidates to fill Board vacancies

Board and executive succession planning

- Develops succession plans to ensure Board membership is refreshed to meet the needs of the Company
- Oversees the development of a diverse succession pipeline for the Executive Committee and key senior management roles, in line with the approach to ensure talent is at the centre of the Company

Corporate governance

- Considers the independence and time commitments of Non-Executive Directors
- Reviews the Board Composition and Diversity Principles to ensure they remain fit for purpose

Board composition and succession planning

Having the right blend of skills, knowledge and experience in the boardroom ensures an effective Board. Diverse and fresh perspectives contribute to well-rounded discussions and lead to effective decision-making.

The Board considers a skills matrix to guide and inform succession plans and the criteria for prospective Board appointments. The chart below shows the blend of skills and experience on the Board at the date of this Report.

In line with the Board Composition and Diversity Principles, all Board appointments will continue to be made on merit and objective criteria. Our approach includes:

- Ensuring the search pool includes candidates from diverse backgrounds with experience and insights relevant to the Group's strategic priorities
- Taking into account Burberry's purpose, culture and values, as well as changing business needs, while also having regard to wider stakeholder requirements and environmental factors
- Promoting diversity, inclusion and equal opportunity. Our aim is to ensure that at least 40% of the Board is female and that at least one Board member is from an ethnic minority background

Board tenure

There is a good balance on the Board between recently appointed Directors and those who have a longer tenure.

Directors' time commitments

The Nomination Committee conducts an annual assessment of the time required by Non-Executive Directors to effectively discharge their responsibilities. It also assesses through performance evaluation whether the time they spend executing their roles is sufficient.

During the year, the Committee reviewed Directors' time commitments to ensure that these complied with the policy on Directors' time commitments introduced in FY 2023/24. According to the policy:

- Non-Executive Directors are expected to hold no more than four non-executive directorships in public companies, including Burberry, at any one time
- Executive Directors should not undertake more than one non-executive directorship of a listed company or any other significant appointment
- In exceptional and compelling circumstances, the Board may approve an exemption to this policy if it agrees this is merited in order for the Board to benefit from the individual Director's continuing appointment
- Directors are required to obtain prior approval before taking on any significant additional appointments. The Chair undertakes this pre-approval on behalf of the Board. Where deemed necessary, the Chair may escalate specific appointments for consideration by the full Board

The terms of appointment of the Non-Executive Directors require that they should allocate sufficient time to meet the expectations of their role. The Committee considered the expected time commitment of the Chair and the Non-Executive Directors, taking into account attendance at Board and committee meetings, as well as engagements outside formally scheduled Board and committee meetings, and assessed whether the Non-Executive Directors had met the requirement. The Committee also considered the external appointments of the Non-Executive Directors and reviewed the register of Directors' conflicts.

The Board is satisfied that all Directors continue to make effective and valuable contributions to the Board and devote sufficient time to discharging their responsibilities as Directors of Burberry. As part of this assessment, it was noted that Danuta Gray is currently Chair of two UK listed companies in addition to her role at Burberry, however, the Committee is satisfied that Danuta continues to have sufficient time to meet her Board responsibilities. The Committee confirmed that all the Directors met the policy on Directors' time commitments, apart from Danuta Gray whose additional commitments were approved by the Committee as an exception to the policy.

Directors' independence

The Committee also conducts an annual review of the independence of the Non-Executive Directors on behalf of the Board. The UK Corporate Governance Code requires the Board to state its reasons for concluding that a Director is independent notwithstanding the existence of certain circumstances which are likely to impair or appear to impair that Director's independence. Provision 10 of the Code provides a non-exhaustive list of such circumstances which should be considered, including length of service.

Having served 10 years on the Board since being appointed on 15 March 2015, the Committee paid particular regard to assessing the independence of Fabiola Arredondo noting her impartiality, her contribution in Board and Committee meetings, including the degree of rigour and challenge to discussions and decision-making. On the basis of its rigorous assessment, the Committee confirmed its view that Fabiola remains independent.

All Directors, with the exception of Fabiola Arredondo, Sam Fischer and Antoine de Saint-Affrique, will seek election or re-election at the 2025 AGM.

Non-Executive Director appointment

The timeline below sets out the key stages of the process that culminated in the Nomination Committee's recommendation to appoint Stella King to the Board. The selection process was undertaken in accordance with the Board Composition and Diversity Principles and considered a variety of factors, including gender, ethnic background, unique strengths, experience and alignment with Burberry's strategic vision, culture, values and purpose.

Timeline	Appointment process
Stage 1	**Building the brief** The Nomination Committee agreed the attributes and skills required, focusing on experience in luxury fashion and markets relevant to Burberry.
Stage 2	**Candidate search** The Committee appointed an external search firm, Egon Zehnder, to assist with the appointment process. The firm provided a diverse list of candidates, with initial interviews conducted by the Chair. A short-list was then selected for interviews with Committee members and the CEO. The Company confirms that Egon Zehnder has no connection to the Company or to individual Directors save that it was engaged by the Company during FY 2024/25 to provide some executive recruitment services.
Stage 3	**Review, assessment and interviews** The short-listed candidates were interviewed by a number of Committee members as well as the CEO and the Chief People Officer, and a preferred candidate was selected.
Stage 4	**Recommendation** The Committee made its final recommendation to the Board to appoint Stella King as Non-Executive Director.
Stage 5	**Induction** A comprehensive induction programme was organised by the Company Secretary and Chair of the Board. Stella's induction began before her appointment was formally effective and included observing the March Board meeting and attending sessions with members of the senior leadership team and the Company Secretary.

Induction of the CEO

On joining the Board in July 2024, Joshua commenced a rapid and comprehensive induction process to provide deep insight into Burberry's business, products and brand, as well as to understand key stakeholders. Joshua's induction process is outlined below.

CEO induction process

- Building on Joshua's existing knowledge of Burberry products and the brand, he met members of the creative team to develop a deep insight into the creative approach and product development
- Meetings with members of the Executive Committee, regional Presidents and key functional heads

- Visits to stores and offices in the USA, UK and Asia Pacific regions
- Visits to Burberry's manufacturing sites in the UK and Italy and attendance at Burberry's supplier conference

- Meeting major shareholders
- Engaging with other external stakeholders to gain industry insights
- Comprehensive briefing from the Company Secretary on directors' duties, governance standards and regulatory responsibilities

- Introducing himself to colleagues during site visits, through global town halls and other opportunities to interact with Burberry's people

Board diversity

The Board is committed to driving progress in promoting diversity in line with the Board Composition and Diversity Principles. These Principles set clear objectives aligned with the UK Listing Rules and the recommendations of the FTSE Women Leaders Review and the Parker Review.

Throughout FY 2024/25, the Board maintained its objective of ensuring that at least 40% of its members are female. At the date of this report, women make up 50% of the Board and held the key leadership roles of CFO and Senior Independent Director. Reflecting our commitment to board diversity and inclusive leadership, Burberry was again recognised as a top performer in the 2025 report of the FTSE Women Leaders Review. At 31 October 2024, the date used for our submission to its report, women accounted for 53% of Executive Committee members and their direct reports.

At the date of this Report, the Board had at least one Director from an ethnic minority background and is compliant with the Parker Review's target for FTSE 250 companies. However, the Board was not compliant with this target for part of the year under review as explained.

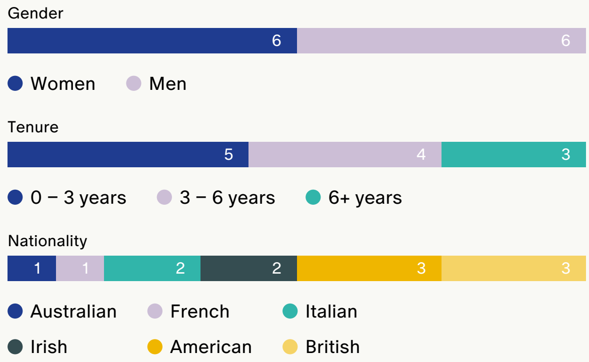
The Board also recognises and embraces the importance and benefits of diversity and inclusiveness at Board Committee level. As at 29 March 2025, Board Committee gender diversity was as follows:

- Nomination Committee: 44% women
- Audit Committee: 40% women
- Remuneration Committee: 50% women

The Board's Composition and Diversity Principles reflect the changes incorporated into the 2024 version of the UK Corporate Governance Code, which calls on companies to consider diversity in a wider sense, by moving beyond specific protected characteristics.

The Board's commitment to diversity in leadership at Burberry is reflected in our goal for 15% of UK senior management to come from ethnic minority backgrounds by December 2027, a target we outlined in the Annual Report 2023/24. As at the date of this report, 10% of UK senior management came from an ethnic minority background.

Diversified Board



Disclosures required under UK Listing Rule 6.6.6(9)R and 6.6.6.(10)R as at 29 March 2025

The Board selected 29 March 2025 as the reference date for this disclosure as it was the last day of FY 2024/25 and is consistent with the reporting date selected in the prior year. As at this date, the Company complied with the targets for gender diversity set under UK Listing Rule 6.6.6(9)R. However, the Company did not comply with the target for ethnic diversity at this date.

The Board has continued to meet its obligation to maintain the required gender diversity and, in addition, women hold both the Senior Independent Director and CFO roles. Following the resignation of Debra Lee in July 2024, the Board's composition was 45% female, however, following the appointment of Stella King on 1 April 2025, the Board is now 50% female.

The Board complied with the requirement to have at least one Director from an ethnic minority background until the departure of Jonathan Akeroyd on 15 July 2024 and Debra Lee on 16 July 2024. Following these departures, the Board temporarily did not meet this requirement. However, with the appointment of Stella King on 1 April 2025, the ethnic diversity target has been met.

The data in the table below was collected by inviting each Board and Executive Committee member to self-identify their gender and ethnicity using the specified categories.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of executive management	Percentage of executive management
Men	6	55	2	5	71
Women	5	45	2	2	29
Not specified/prefer not to say	0	–	0	0	–

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of executive management	Percentage of executive management
White British or other white (including minority-white groups)	11	100	4	6	86
Mixed/multiple ethnic groups	0	–	0	0	–
Asian/Asian British	0	–	0	0	–
Black/African/Caribbean/Black British	0	–	0	0	–
Other ethnic group	0	–	0	1	14
Not specified/prefer not to say	0	–	0	0	–

REPORT OF THE AUDIT COMMITTEE

Alan Stewart
Chair, Audit Committee

Areas of focus during FY 2024/25

> Scrutinising financial performance, financial reporting estimates and judgements

> Monitoring and assessing risk management and internal control frameworks

Dear Shareholder,

I am pleased to present the FY 2024/25 Report of the Audit Committee which describes the Committee's main activities and areas of focus during the year.

Areas of focus during FY 2024/25

The primary purpose of the Committee is to oversee the integrity of financial reporting and to provide assurance to the Board that the Company's internal control and risk management processes are operating effectively. The Committee also oversees the work of the external auditor. Details of how we monitored EY's audit are available on page 132.

This year, we focused on reviewing the Group's financial performance and how this was taken into consideration when determining appropriate accounting estimates relating to impairment of property, plant and equipment and right of use assets, inventory provisioning and uncertain tax positions.

We also oversaw a forensic review of the causes of recent business performance undertaken by an independent advisor. The Committee considered the key findings across each execution area together with the initiatives identified by management to address the opportunities identified through the review.

The Committee has been satisfied that management applied robust and consistent accounting policies and provided the Committee with sensitivities to these assumptions and forward-looking trading. We also reviewed and challenged the going concern assessment and the severe but plausible scenarios and considered the liquidity needs of the Group in order to recommend the Viability Statement on pages 100 and 101 to the Board.

Further information on how the Committee addressed significant matters during the year is set out in the table on pages 130 and 131.

In relation to the Group's risk management, we carried out a detailed review of management's assessment of principal risks, tolerance levels and mitigations, and concluded these were appropriate. We also reviewed management's preparations for the new Corporate Sustainability Reporting Directive (CSRD) regulations and the revised Provision 29 of the 2024 UK Corporate Governance Code, and concluded the approach was appropriate.

The Committee confirms that during FY 2024/25, the Group complied with the mandatory audit processes and Audit Committee responsibility provisions of the Competition and Markets Authority Statutory Audit Services Order 2014. This report describes the work of the Committee in discharging its responsibilities.

FRC review

During the year, the FRC wrote to the Chair of the Board informing the Board that the Burberry Group plc Annual Report to 30 March 2024 was included in their selection for review as part of their Corporate Reporting Review Operating Procedures.

The Audit Committee was pleased with the outcome of the review and noted that there were no questions or queries that the FRC wished to raise with the Company. The FRC's role is to consider compliance with reporting standards and not to verify the information provided. Therefore, given the scope and inherent limitations of their review, which does not benefit from any detailed knowledge of the Group, it would not be appropriate to infer any assurance from their review that our FY 2023/24 Annual Report and Accounts are correct in all material aspects.

Committee effectiveness

The Committee's annual effectiveness review was undertaken as part of the internal review of Board and Committee effectiveness, and I am pleased to note that the review confirmed that the Committee fulfils its purpose well, is well informed and challenges where appropriate. Further information on the process is set out on page 132.

Alan Stewart
Chair, Audit Committee

Committee member	Member since	Meeting attendance
Alan Stewart (Chair)	1 September 2022	5/5
Alessandra Cozzani	1 September 2023	5/5
Ron Frasch	7 November 2018	5/5
Danuta Gray	12 July 2023	5/5
Debra Lee[1]	1 October 2019	1/1
Antoine de Saint-Affrique	1 January 2021	5/5

1. Debra Lee retired from the Board on 16 July 2024 and stepped down as a member of the Audit Committee on that date.

The role and main responsibilities of the Committee

The main role and responsibilities of the Committee are set out in written terms of reference, which are available on Burberryplc.com. As part of the Committee's annual review of its terms of reference, the Committee took into consideration the requirements of the FRC's Audit Committees and the External Audit: Minimum Standard (the Minimum Standard) and determined that the key requirements of the Minimum Standard are already being met. We will continue to keep the requirements of the Minimum Standard under review.

In light of its key responsibilities, and in addition to the specific topics mentioned in the Committee Chair's letter above, the Committee considered the following items of business during the financial year:

- Financial reports: the integrity of the Group's Financial Statements and formal announcements of the Group's performance
- Accounting policies: the Committee reviewed and approved management's identification and determination of key accounting judgements
- Risk and internal controls: the Group's internal financial, operational and compliance controls and risk identification and management processes
- Cybersecurity: the Committee received an update on cybersecurity risk and governance
- Viability: consideration of management's assumptions and disclosures relating to going concern and the Group's Viability Statement as set out on pages 100 and 101
- Internal Audit: review of the annual Internal Audit programme and the consideration of findings of any internal investigations as well as management's response
- Process controls and efficiency: the Committee received updates from management on design and product development transition risks and controls and on emerging regulatory developments
- Treasury matters: including reviewing and approval of proposed amendments to the Treasury Policy
- External auditor: recommending the appointment of the external auditor, approving their remuneration and overseeing their work. Reviewing reports received from the external auditor. Reviewing the effectiveness and independence of the external auditor
- Ethics update: the Committee received and considered reports from management on the considerations of the Ethics Committee, including the Group's approach to human rights and whistleblowing arrangements
- Legal and Brand Protection update: the Committee received and considered reports from management on current and emerging risks in the fields of Legal, Data Protection, Brand Protection, Asset Profit and Protection and Health and Safety, and the actions being taken, or proposed, to mitigate such risks
- Sustainability reporting: the Committee reviewed the requirements of the TCFD and the progress made in relation to the climate-related risk scenario analysis undertaken in FY 2024/25 to assess the impact of climate-related risks to Burberry. The Committee also received an update on preparations for impending ESG regulations
- Group Tax strategy: the Committee reviewed the Group Tax strategy in the context of an evolving regulatory environment and the Group's uncertain tax positions. The Tax Governance Framework can be found on page 116

Committee composition

Debra Lee stepped down as a member of the Committee following her retirement from the Board on 16 July 2024. There were no other changes to the Committee's composition during FY 2024/25. As announced on 16 December 2024, Antoine de Saint-Affrique will step down from the Board and as a member of the Audit Committee upon the conclusion of the AGM on 16 July 2025.

The Board is satisfied that Alan Stewart and Alessandra Cozzani have recent and relevant financial experience, and that all other Committee members collectively have appropriate knowledge, skills and experience in either finance or accounting roles, or broad consumer experience and knowledge of financial reporting and/or international businesses. As a whole, the Board is satisfied that the Audit Committee has the appropriate knowledge, skills and experience relevant to the business sector to fulfil the duties delegated to the Committee. The biographies set out on pages 104 to 108 provide details of each member's background and experience.

Meetings and attendance

The Committee met formally five times during the year (see the table on page 129).

The Chair of the Committee met separately with representatives of the external auditor, senior members of the Finance function and the Senior Vice President, Internal Audit and Risk on a regular basis, including prior to each Committee meeting. In addition, he met with members of the Group Internal Audit team and other members of management on an ad hoc basis as required to fulfil his duties.

Regular attendees at Committee meetings included the Chair of the Board, CEO, CFO, Company Secretary, Senior Vice President Internal Audit and Risk, Vice President Group Financial Controller, General Counsel, and representatives of the external auditor. At the end of each meeting, the Committee held closed meetings with the external auditor and with the Senior Vice President Internal Audit and Risk, without management being present.

Significant matters for the year ended 29 March 2025	How the Audit Committee addressed these matters
Impairment assessment of right-of-use assets and property, plant and equipment held in retail cash generating units	In November, March and May, the Committee considered management's assessment of the recoverability of the carrying value of assets held in retail cash generating units, including property, plant and equipment and right-of-use assets relating to store leases. The Committee considered the approach applied by management to review for potential indicators of impairment of retail cash generating units and how current performance has impacted this. The Committee reviewed and challenged the sensitivities applied to the estimates of future store performance and reviewed management's determination of store impairments and proposed disclosures of these impairments and sensitivities relating to these uncertainties. The Committee concluded that the carrying value of assets held in retail cash generating units and disclosures contained in the Financial Statements for the period were appropriate. The results of the impairment assessment of assets held in retail cash generating units, together with related sensitivities, are set out in note 13 of the Financial Statements.
The appropriateness of the valuation of the recoverability of the cost of inventory and the resulting estimation of provision required	In November, March and May, the Committee considered management's assessment of the recoverability of the cost of inventory and the resulting amount of provisioning required. The Committee reviewed the Group's current provisioning policy, the expected loss rates on inventory held at the balance sheet date and the nature and condition of current inventory. The review included analysis of actual inventory, noting the age and expected exit routes for the remaining surplus inventory held at the balance sheet date and the actual loss rates experienced, focusing specifically on the elevated levels of inventory relating to recently aged seasons. The Committee considered the sensitivity to the assumptions of loss rate and exit route and how this aligned to the current performance of the business and future expectations and inventory management initiatives to understand how management quantified the range of potential outcomes and level of estimation applied. The Committee concluded that the inventory assets recognised and disclosures contained in the Financial Statements for the period were appropriate. Movements in inventory provisioning and the related sensitivities are set out in note 17 of the Financial Statements.
Uncertain tax positions and the Group's more significant tax exposures and the appropriateness of any related provisions and Financial Statement disclosures	In November, March and May, the Committee received regular updates regarding developments relating to discussions with tax authorities and the status of any ongoing tax audits. The Committee reviewed and challenged the appropriateness of assumptions and estimates applied to estimate the amount of assets and liabilities to be recognised in relation to uncertain income tax and deferred tax positions and the disclosure of any significant estimates applied to tax balances. The Committee also discussed matters with external advisors where significant estimation was required. The Committee concluded that the assets and liabilities recognised and disclosures contained in the Financial Statements for the period were appropriate. Details of movements in tax balances are set out in note 9 and 15 of the Financial Statements and further disclosure of tax contingent liabilities is given in note 31.

Significant matters for the year ended 29 March 2025	How the Audit Committee addressed these matters
Going concern and viability	The Committee considered the risks that could threaten the Group's business model, future performance, solvency, liquidity and reputation. It also looked at how these were included in the severe but plausible downside scenario. This included an aggregation of several severe impacts of these principal risks and the reverse stress test scenario, alongside the current cash position, facilities available to the Group as well as mitigating actions that could be taken. The Committee concluded that a robust assessment had been carried out, and in all the scenarios considered the Group was able to maintain sufficient liquidity to continue trading.
The impact of climate risk on the Group's financial reporting and Financial Statements (TCFD and CSRD considerations)	The Committee considered the impact of climate risk on the Financial Statements and TCFD reporting on behalf of the Board. The Committee considered the approach taken by management to further develop the digital twin model which was updated with the latest Group performance and locations. The Committee noted the ongoing areas of market and consumer preference risk and physical risks as being the most significant risks identified by the modelling. The Committee also noted the ongoing increase in visibility of climate risk in the wider organisation, and reviewed preparations progressed by management during the year for CSRD reporting. The Committee reviewed the disclosures in the Annual Report on behalf of the Board to ensure they were in compliance with TCFD recommendations, and the assurance provided by the Group's auditors.
Whether the Annual Report is fair, balanced and understandable	The Committee considered the Annual Report and Interim Results, on behalf of the Board, to ensure that they were fair, balanced and understandable, in accordance with requirements of the UK Corporate Governance Code. The Committee reviewed the report from the Strategic Report drafting team, comments arising from the review of the Financial Statements by the Executive Directors and comments raised by the Group's auditor. The Committee also considered the use of alternative performance measures by the Group and concluded that they were appropriate and that there is an appropriate balance between statutory and alternative performance measures, ensuring equal prominence. The Committee concluded the Burberry Annual Report 2024/25, taken as a whole, is fair, balanced and understandable, and provides the information necessary to assess the Group's performance, business model and strategy.
Other matters	During the year, the Committee also considered management's papers on other subjects, including the carrying value of goodwill and associated disclosures, significant judgements relating to lease term where a judgement is taken on the likelihood of exercising options within leases, the recoverability of deferred tax assets relating to losses, and impairment of receivables.

External auditor

Ernst & Young LLP (EY) commenced their first year of audit in FY 2020/21, following a competitive tender process. The current audit partner is Michael Rudberg who has held the role since EY was appointed as external auditor. As Mr Rudberg will have served as audit partner for five years following the announcement of the results for FY 2024/25, he will be replaced by Ben Marles as audit partner in line with EY's policy on rotation of audit partners. The Committee considered that given EY's capabilities, the effectiveness of the external audit and relationship with Burberry, the external audit contract will not be put out to tender before the end of the current required period of 10 years. The next tender will be in respect of FY 2030/31 at the latest, and the process will be led by the Committee.

The Audit Committee oversees and assesses the work undertaken by EY, and in FY 2024/25 the Committee monitored and reviewed activities including:

- The audit plan, including audit strategy, scope and materiality
- The approach to risk assessment, including factors impacting the external environment and Burberry's business and strategy
- The approach to emerging topics such as CSRD reporting requirements and UK Corporate Governance Reform
- The approach to auditing controls, the use of data analytics and how the auditor demonstrated robust professional scepticism
- The limited assurance work carried out on the TCFD disclosures and key data points in the corporate responsibility disclosures of the Strategic Report, including carbon emissions, supplier audits and the Group's sustainability performance, which are separate non-audit services provided by EY
- Reports at the half year and full year

In assessing how the auditor demonstrated professional scepticism the Committee considered the level of objectivity EY demonstrated when challenging the Group's approach to its significant judgements and estimates.

During the year, the Committee met with the auditor without members of management being present.

Independence and effectiveness

One of the Committee's primary responsibilities is to make a recommendation on the appointment, reappointment and removal of the external auditor. Each year, the Committee assesses the qualifications, expertise, resources and independence of the external auditor and the effectiveness of the previous audit process. Over the course of the year, the Committee reviewed the audit process and the quality and experience of the audit partners engaged in the audit to satisfy itself that it received the highest quality audit possible. To support this assessment, a survey was sent to the Audit Committee Chair, key members of the Finance team and other members of the senior management team as part of the year-end process. The Committee considered the results of the survey and concluded that the external audit process was effective.

The Committee's recommendation on the appointment and reappointment of the external auditor is free from influence by a third party and there are no contractual obligations which restrict the Committee's ability to make such a recommendation.

The Committee also reviewed the proposed audit fee and terms of engagement for FY 2024/25. Details of the fees paid to the external auditor during FY 2024/25 can be found in note 7 to the Financial Statements.

Non-audit services

The Committee recognises that the independence of the external auditor is an essential part of the Audit framework and the assurance that it provides. The Committee has adopted a policy which sets out a framework for determining whether it is appropriate to engage the Group's auditor for non-audit services and pre-approving non-audit fees. This policy reflects the International Ethics Standards Board for Accountants' Code of Ethics, which helps ensure high standards of independence and ethical behaviour are applied consistently by UK audit firms and their networks.

The overall objective of the policy is to ensure that the provision of non-audit services does not impair the external auditor's independence or objectivity. This includes, but is not limited to, assessing:

- Any threats to independence and objectivity resulting from the provision of such services; any safeguards in place to eliminate or reduce these threats to a level where they would not compromise the auditor's independence and objectivity; the nature of the non-audit services; and whether the skills and experience of the audit firm make it the most suitable supplier of the non-audit service
- The value of non-audit services that can be billed by the external auditor is restricted by a cap, which is set at 70% of the average audit fees for the preceding three years as defined by the FRC

During FY 2024/25 the non-audit services provided by Burberry's external auditor did not exceed this cap.

Proposed fees above £100,000 are approved in advance by the Chair of the Audit Committee. Non-audit services with a value below £100,000 and which are in line with the Group's policy have been pre-approved by the Audit Committee. Compliance with the policy of engaging the Group's auditor for non-audit services and pre-approving non-audit fees is reviewed and monitored by the Senior Vice President, Internal Audit and Risk. These fees must be activity based and not success related. At the half year and year end, the Audit Committee reviews all non-audit services provided by the auditor during the period, and the fees relating to these services.

During the year, the Group spent £0.5 million on non-audit services provided by EY (17% of the average of Group audit fees incurred over the last three years). The rationale for using the external auditor to perform these services was that EY was best able to provide the services we require at a reasonable fee and within the terms of our policy. No advisory services were provided by EY during FY 2024/25. Where EY was selected to provide non-audit related services, EY's existing knowledge and experience of the Group were taken into account. Significant non-audit work performed by EY during FY 2024/25 was:

- Review of the half-year financial statements
- Limited assurance over TCFD reporting
- Turnover certificates
- Limited assurance over certain environmental and social key performance indicators

Further details can be found in note 7 to the Financial Statements.

Evaluation of internal controls

The Board is responsible for the Group's internal controls and risk management procedures. Details of the Group's risk management processes and the management and mitigation of each principal risk, together with the Group's Viability Statement, can be found in our Risk and Viability Report on pages 90 to 101.

The Committee discharges its duties in respect of risk management by:

- Determining the nature and extent of the principal and emerging risks it is willing to accept to achieve the Group's strategic objectives (the Board's risk appetite)
- Challenging management's implementation of effective processes of risk identification, assessment and mitigation

The Audit Committee is responsible for reviewing the effectiveness of the Group's internal controls. Ongoing review of these controls is provided through internal governance processes and the work of the Group is overseen by management, particularly the work of the Group Internal Audit team and the Risk Committee. Regular reports on these activities are provided to the Audit Committee as reflected in the standing items on the Audit Committee agenda.

The Board, through the Audit Committee, has conducted a robust assessment of the principal and emerging risks and internal control framework. It has considered the effectiveness of the internal controls in operation across the Group for the year covered by the Annual Report and Accounts and up to the date of its approval by the Board. This review covered the material controls, including financial, operational and compliance, as well as risk management processes. No significant control weaknesses were identified. The internal controls are designed to manage rather than eliminate the risk of not achieving business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The process followed by the Board, through the Audit Committee, in regularly reviewing the system of internal controls and risk management processes complies with the Guidance on Risk Management, Internal Control and Related Financial and Business Reporting issued by the FRC. It also accords with the provisions of the Code.

Control environment

Our business model is based primarily on centralised design, product development, supply chain and distribution operations to supply products to global markets via retail, including digital and wholesale channels. This is reflected in our internal control framework, which includes centralised direction, resource allocation, oversight and risk management of the key activities of marketing and inventory management, as well as brand and technology development. We have also established procedures for the delegation of authorities to ensure that approval for matters considered significant is provided at an appropriate level. In addition, we have policies and procedures in place designed to support risk management across the Group. These include policies relating to treasury and the conduct of employees and third parties with whom we do business, including prohibiting bribery and corruption. These authorities, policies and procedures are kept under regular review.

The Group operates a 'three lines of defence' model, which helps to achieve effective risk management and internal control across the organisation.

- First line of defence: management owns and manages risk and is also responsible for implementing corrective actions to address process and control deficiencies
- Second line of defence: to help ensure the first line is properly designed, established and operating effectively, management has also established various risk management and compliance functions to help build and/or monitor the first line of defence. These include, but are not limited to, functions such as Group Risk Management, Legal, Brand Protection, Company Secretariat, Group Finance Compliance, Health and Safety, Data Protection, Asset and Profit Protection, and Business Continuity
- Third line of defence: Group Internal Audit provides the Audit Committee and management with independent and objective assurance on the effectiveness of governance, risk management and internal controls. This includes the way in which the first and second lines of defence achieve risk management and control objectives

Internal Audit

The Group Internal Audit function is managed by the Senior Vice President, Internal Audit and Risk, who reports to the CFO but has an independent reporting line to the Chair of the Audit Committee.

The scope of Internal Audit work is considered for each operating company and Group function. This takes account of risk assessments, input from senior management and the Audit Committee, and previous audit findings. For example, in FY 2024/25, there was continued emphasis on assurance over controls to manage cybersecurity risk (particularly ransomware and data exfiltration), and the maturity of controls over IT projects and operations (including critical third parties). There was also a continued focus on assessing the maturity of controls over core processes in inventory management, Finance, Supply Chain, Digital, Legal and Human Resources. Changes to the Group's risk profile are considered on an ongoing basis and amendments are made to the Internal Audit plan as necessary during the year. Any proposed changes to the plan are discussed with the CFO and reported to the Audit Committee.

The effectiveness of Group Internal Audit is assessed every five years, with the latest review completed in April 2025.

Ongoing visibility of the internal control environment is provided through Internal Audit reports to management and the Audit Committee. These reports are graded to reflect an overall assessment of the control environment under review, and the significance of any control weaknesses, including fraud risk, identified.

Remedial actions to address findings are identified and agreed with management. The Audit Committee places emphasis on actions being taken as a result of internal audits, and regular reports are provided to the Audit Committee on the status of any overdue actions.

Financial reporting

Management is responsible for establishing and maintaining adequate internal controls over financial reporting. These are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external reporting purposes.

We have comprehensive planning, budgeting, forecasting and monthly reporting and management review processes in place. A summary of financial results, supported by commentary and performance measures, is provided to the Board each month.

In relation to the preparation of Group Financial Statements, the controls in place include:

- A centre of expertise responsible for reviewing new developments in reporting requirements and standards to ensure that these are reflected in Group accounting policies, Financial Statements and disclosures
- A global Finance function and governance structure consisting of colleagues with the appropriate expertise to ensure that Group policies and procedures are correctly applied. Effective management and control of the Finance function is achieved through our finance leadership team, comprising key finance colleagues from the regions, Burberry Business Services and our London headquarters

Our financial reporting process is supported by transactional and consolidation finance systems. Reviews of financial controls are carried out by senior members of the Finance function. The results of these reviews are considered by the Audit Committee as part of its monitoring of the performance of controls governing financial reporting.

The Audit Committee reviews the application of financial reporting standards and any significant accounting judgements made by management. These matters are also discussed with the external auditor.

Fair, balanced and understandable

As a whole, the Annual Report and Accounts are required to be fair, balanced and understandable, and to provide the information necessary for shareholders to assess the Group's position, performance, business model and strategy. On behalf of the Board, the Audit Committee considered whether the fair, balanced and understandable statement could properly be given on behalf of the Directors. The processes followed to provide the Committee with assurance were considered and the Committee provided a recommendation to the Board that the fair, balanced and understandable statement could be given on behalf of the Directors.

Based on this recommendation, the Board is satisfied that it has met this obligation. A summary of the Directors' responsibilities in relation to the Financial Statements is set out on page 162. The Independent Auditor's Report on pages 163 to 172 includes a statement concerning the auditor's reporting responsibilities.

Summary of meetings

The Committee typically meets four times a year. During FY 2024/25, the Committee held five meetings and the agenda items discussed are summarised in the table below. Details of attendance at Committee meetings are set out on page 129.

May 2024	• Reviewing the integrity of the Group's Financial Statements and Preliminary Results statement for FY 2023/24
	• Reviewing the FY 2023/24 year-end key accounting judgements and estimates
	• External auditor's FY 2023/24 year-end audit results report
	• Internal Audit update and reviewing of the Internal Audit forward plan
	• Risk and internal controls: reviewing the Group's internal financial, operational and compliance controls and risk identification and management process
	• Reviewing the Company's Going Concern and Viability Statement prior to approval by the Board
	• Consideration of the Group's TCFD disclosures
	• Corporate Governance Code compliance
	• Effectiveness of external auditor
July 2024	• Readiness for ESG regulations
	• Preparations for provision 29 of the 2024 Corporate Governance Code
	• Review of design and product development operational processes
	• Inventory shrinkage controls review

November 2024	• Half Year financial reporting matters • External auditor’s review at the Half Year and planning for FY 2025/26 • Risk management update, including review of the principal risks disclosure for Half Year results • Internal controls update • Fraud risk assessment • Internal Audit update and forward plan • Legal risk update • Ethics Committee update and review of supply chain human rights
February 2025	• Report on the forensic review of the causes of recent business performance • External Audit Lead Audit Partner rotation
March 2025	• Pre-year-end update significant judgements, estimates and disclosures • External audit control update and observations • Tax update and approval of tax strategy • Treasury update and policy review • ESG reporting including update on CSRD EU Omnibus proposals and TCFD disclosures • Risk management, including review of principal and emerging risks • Internal Audit update • Review of governance matters, including the Committee’s terms of reference and an update on subsidiary company accounts • Cybersecurity update • Review of FY 2024/25 financial reporting matters

DIRECTORS' REMUNERATION REPORT

Danuta Gray
Chair, Remuneration Committee

Areas of focus during FY 2024/25

> CEO transition and shareholder engagement

> Executive reward

> Broader employee reward

> External environment

> External reporting

Details of agenda items discussed at each Committee meeting are set out on page 156.

"While we are still in the early stages of our transformation, we are confident that the actions Josh is leading will position the business for a return to sustainable profitable growth over time."

Dear Shareholder,

I am pleased to present to you the Directors' Remuneration Report for the year ended 29 March 2025 which has been approved by both the Remuneration Committee (the Committee) and the Board.

Business context

FY 2024/25 was a challenging year for Burberry. A disappointing start to the year led to a first-half operating loss and the suspension of our dividend. However, a refreshed management team, led by our new CEO, Joshua Schulman, has stabilised the business and put in place the Burberry Forward strategic plan to reignite brand desire, improve performance and drive long-term value creation. As a Board, we are encouraged by the improvements we have seen. Customers are responding to our new Timeless British Luxury brand expression and we have seen an improvement in brand sentiment. While we are operating against a difficult macroeconomic backdrop and are still in the early stages of our transformation, we are confident that the actions Josh is leading will position the business for a return to sustainable profitable growth over time.

CEO transition

Context

In July 2024, Josh joined Burberry as our new CEO replacing Jonathan Akeroyd who stepped down and left the Company by mutual agreement with the Board.

Josh has extensive experience in luxury and fashion, with an outstanding record of building global luxury brands. An American national, Josh joined Burberry with a track record of driving transformative growth and value creation as CEO of global luxury, fashion, and retail businesses. Josh was previously CEO of US fashion brands Michael Kors and Coach where he also served as Brand President. Prior to this, at Neiman Marcus Group, he was President of Bergdorf Goodman. He has also served as CEO of Jimmy Choo and held senior leadership roles at Yves Saint Laurent and Gucci.

Remuneration Committee membership and meeting attendance during the year

Committee member	Member since	Meeting attendance
Danuta Gray (Chair)	1 December 2021	7/7
Fabiola Arredondo[1]	10 March 2015	5/7
Sam Fischer[1]	1 November 2019	6/7
Ron Frasch	1 September 2017	7/7
Orna NíChionna	3 January 2018	7/7
Alan Stewart	12 July 2023	7/7

1. All Committee members attended all scheduled meetings. Any absences noted above were due to meetings being held at short notice.

CEO's remuneration arrangements

The Board determined that Josh's extensive experience in luxury and fashion would be instrumental in revitalising Burberry's performance. It was in our shareholders' interests that the remuneration package we offered was sufficient and attractive enough to recruit a CEO of Josh's calibre from the US talent market, while remaining within the structure of our shareholder-approved Directors' Remuneration Policy and UK corporate governance expectations. In designing the remuneration package, the Committee was also conscious that the luxury talent market for proven, high calibre leaders is small and that there are limited listed luxury companies globally, with many of our peers being privately owned organisations.

When setting Josh's remuneration, the Committee carefully considered market practice from two key reference points: (i) UK-listed companies of a similar size and complexity to Burberry; and (ii) global luxury competitors. The Committee was mindful that some of our listed luxury peers are considerably larger than Burberry and/or listed or headquartered outside the UK and so subject to different investor expectations. Therefore, the Committee has not sought to simply 'match the median' of either peer group, but rather has taken a holistic approach to ensure that overall remuneration levels are set appropriately.

Josh's salary has been set at £1,200,000. He is entitled to our standard benefits and a pension allowance of 10% of salary, which is aligned with the arrangements for the majority of the UK workforce. He does not receive the cash benefits allowance of £50,000 that his predecessor received which means that the overall level of fixed pay is broadly unchanged. Josh's incentives have been set in line with his predecessor, with a maximum annual bonus of 200% of salary and an annual Burberry Share Plan (BSP) award of 162.5% of salary. In line with the Directors' Remuneration Policy and based on our internal policy for international relocations, Josh is eligible to receive reasonable costs associated with his relocation from New York to London. Support will be provided for a limited period of time, focused initially on Josh's move to London and then on the provision of a housing allowance for up to 18 months. Further details regarding Josh's relocation support are set out on page 142.

CEO's bonus for FY 2024/25

In considering the approach for the FY 2024/25 bonus, the Committee was mindful of the importance of recruiting a CEO who would be able to address the challenges facing Burberry and the need to incentivise them to achieve short-term actions in FY 2024/25 to navigate Burberry through these challenges and lay the foundations for future success. With this in mind, the performance measures chosen and Josh's eligibility for a bonus for the full financial year (recognising that he would be employed for the majority of FY 2024/25) reflected the position the Company was in and supported the initial turnaround focus.

The Committee agreed that it would be inappropriate and disincentivising for Josh's bonus to be subject to the original targets set at the start of the year for his predecessor, especially given the rapidly changing business context and the fact that Josh had no involvement in developing the original FY 2024/25 business plan. Taking into account the significant challenges and uncertainty at the time, the Committee determined that it would be appropriate to modify Josh's bonus for FY 2024/25 only, so that it was entirely dependent on key operational and strategic measures. The Committee has critically assessed the extent to which performance against the operational and strategic measures has been achieved. Recognising the excellent progress that Josh has made, the Committee determined that he would receive an annual bonus of £1,200,000 for FY 2024/25, representing 50% of his maximum bonus. He will be required to use 50% of his net bonus to acquire Burberry shares until he has satisfied the shareholding guideline of 300% of salary. Further details of Josh's performance and the Committee's assessment are set out on page 144. The typical bonus framework will be used for FY 2025/26 as outlined on page 145.

CEO's recruitment award

As set out above, the Committee was mindful of the importance of setting a remuneration package that would be sufficient to attract a CEO of Josh's calibre, that would recognise the fact that he was being hired from the US market and that would deliver strong alignment with shareholders from the outset.

The Committee therefore agreed to grant Josh a share award with a maximum face value of 300% of salary. The Committee noted that the level of this award was below the median value of buy-out awards granted to FTSE 100 CEOs in the last four years. This is a performance-based incentive with stretching performance targets measured over three years that has been designed specifically to recruit Josh and align his interests with those of shareholders by incentivising him to deliver growth in our share price. The performance targets for the award are directly linked to shareholder value creation and Burberry's total shareholder return (TSR) performance. The maximum target requires Burberry's share price to more than double from the base price and it is anticipated that this would result in Burberry re-entering the FTSE 100. If this level of performance is attained, or exceeded, by the time the recruitment award vests, this would be evidence of the positive direction of the Burberry Forward strategy under Josh's leadership. Based on a historic analysis of TSR performance for the FTSE 350 and our luxury peers, we expect that the TSR required to achieve the maximum vesting would represent upper decile performance. Further details regarding Josh's recruitment award are set out on pages 147 and 148.

Shareholder consultation

The Committee places great importance on the views of our shareholders and recognises the benefits of an ongoing and open dialogue. We therefore consulted with our major shareholders and the key proxy bodies following Josh's appointment to explain the context around his recruitment and remuneration arrangements. I would like to take this opportunity to thank the many shareholders that took part in the consultation exercise. The Committee and I were pleased to find that the majority of shareholders appreciated the circumstances of Josh's recruitment and were supportive of the design of Josh's ongoing remuneration arrangements, the approach to his annual bonus for FY 2024/25 and his recruitment award. The Committee was mindful of the feedback received from some of our shareholders during the consultation and took this into account when determining the final level of bonus payout.

Former CEO

Jonathan Akeroyd left Burberry on 15 July 2024 and was treated in accordance with the Directors' Remuneration Policy. He received salary, cash benefits allowance and pension allowance until 15 July 2024. Thereafter he was eligible to receive a payment in lieu of 12 months' notice comprising salary, cash benefits allowance and pension allowance, which is paid in equal monthly instalments, subject to mitigation. He was not entitled to an annual bonus for FY 2024/25 and all unvested share awards lapsed in full on his departure. He received a payment in lieu of accrued but untaken annual leave and will be provided with reasonable assistance to prepare and file his tax returns in respect of the 2023/24 and 2024/25 tax years. The Company also arranged for the continuation of medical insurance cover for Jonathan and his family for the balance of FY 2024/25. He will not receive any other payments, including for loss of office. In accordance with the post-employment shareholding guidelines, Jonathan will be required to hold 174,684 Burberry shares until 15 July 2026. Further details regarding Jonathan's leaving arrangements are set out on page 148.

Remuneration decisions during FY 2024/25

CFO's annual bonus outcome for FY 2024/25

The annual bonus for the CFO for FY 2024/25 was based 75% on adjusted operating profit and 25% on performance against strategic objectives. Our adjusted operating profit of £26 million (£51 million at CER*) was below the threshold target and, as a result, there was no payout for the profit element.

Based on an assessment against her strategic objectives, the Committee determined that Kate Ferry would receive an annual bonus of £135,000 for FY 2024/25, representing 10% of her maximum bonus. The Committee considered that this level of bonus payout would be appropriate in recognition of her contribution during a challenging year and the key role she played in the development and delivery of the initial stages of Burberry Forward. Kate will use 50% of her net bonus to acquire Burberry shares.

2022 BSP award outcome

The BSP awards granted in 2022 will vest in July 2025. As the current Executive Directors were not employed by Burberry when the 2022 BSP awards were granted, no awards are due to vest to them in 2025. BSP awards granted to other participants in 2022 will vest in July 2025, further aligning our management population with shareholder interests.

2024 BSP awards granted during the year

On 30 July 2024 the Company granted 2024 BSP awards to the Executive Directors and our management population. Prior to grant the Committee carefully considered the impact of the share price on the number of shares due to be granted and determined that it would be better able to judge whether a windfall gain had occurred at vesting rather than at grant. The Committee's original intention, as set out in last year's Directors' Remuneration Report, was therefore to maintain awards at their normal levels. However, in recognition of the extreme share price volatility experienced following our first quarter trading update and CEO transition announcements in mid-July, the Committee exercised its discretion to align the award price for the grant with an average price determined over a longer period of 20 business days before the 15 July 2024 announcements. This effectively reduced the number of shares granted to all BSP participants, including the Executive Directors, by 20%. In addition, the Committee will continue to monitor share price changes and will consider whether it would be appropriate to further scale back awards at the point of vesting. As disclosed in the Annual Report 2023/24, a framework has been developed to assist the Committee in identifying whether Executive Directors have benefited from windfall gains. Further details are provided on page 145.

* This measure removes the effect of changes in exchange rates compared to the prior period.

Approach to remuneration for FY 2025/26

Salary and Board fees

After full consideration of the broader context and the approach taken for the wider workforce, the Committee agreed that neither Executive Director would receive a salary increase for FY 2025/26. Similarly, it was agreed by the Committee and the Board respectively that there would be no increase to the Chair's fee or the Non-Executive Directors' fees for FY 2025/26.

Annual bonus

The annual bonus structure for the Executive Directors will follow a similar framework to that for the CFO in FY 2024/25. Executive Directors will be eligible for a maximum bonus of 200% of salary. The annual bonus will be based 75% on adjusted operating profit and 25% on performance against strategic measures aligned to the Burberry Forward strategy, including key sustainability measures. Further details are provided on page 145.

2025 BSP awards

For 2025 the BSP will operate again in line with the 2023 Directors' Remuneration Policy. We will consider the design of the BSP and the continued use of a restricted share plan as part of our full review of the Directors' Remuneration Policy ahead of the 2026 AGM.

In line with the approach last year, the CEO will be granted a 2025 BSP award of 162.5% of salary. Taking into account the CFO's performance and development in her role since joining Burberry and the key part she is expected to play in executing the Burberry Forward strategy, the Committee decided to increase her BSP award to 162.5% of salary.

2025 BSP awards will be granted on the same basis as the 2024 awards. Awards will vest after three years and will then be subject to a two-year post-vesting holding period. Awards will continue to be subject to the same performance underpins: (i) revenue, (ii) ROIC and (iii) brand and sustainability. The Committee considers that these underpins continue to represent a well-rounded and balanced approach to safeguarding the financial stability of the business, delivering our Burberry Forward strategy and elevating the brand. Further details are provided on page 147.

Broader employee reward

Burberry is committed to being a fair and responsible employer. We used a scaled approach for the 2024 pay review to provide proportionately higher salary increases to our more junior colleagues. We intend to adopt a similar approach for the 2025 pay review. In April 2025 in the UK, where we are a Principal Partner of the Living Wage Foundation and an accredited UK Living Wage employer, we implemented a pay increase of 4.8% for colleagues outside London and 5% for colleagues in London, above the recommended rates set out by the Living Wage Foundation. This positively impacted approximately 700 colleagues.

We are not making a payment under the annual corporate bonus plan for FY 2024/25, but will instead pay a one-off discretionary recognition award to current eligible colleagues to recognise and thank them for their commitment and contribution during FY 2024/25 as we start to implement the Burberry Forward strategy.

During the year, the Committee took the opportunity to listen to feedback from colleagues about reward and performance at Burberry and to learn more about our broader employee reward. We have also improved our communications to make it easier for colleagues to understand and engage with their reward, for example in relation to our benefits and all-employee share plans.

In March we once again held a session with our Global Workforce Advisory Forum dedicated to reward and performance at Burberry. This gave Forum members the opportunity to provide feedback to us and share suggestions on a number of topics. Their insights are highly valued by the Committee. I also ensure that the perspectives of our workforce are considered at our Committee meetings.

Additional information on the broader workforce's reward structure, together with its alignment with the Executive Directors' remuneration, is set out on page 141.

Committee effectiveness

The Committee's annual performance and effectiveness review was undertaken as part of the internally facilitated Board effectiveness review and I am pleased to note that the review confirmed that the Committee operates well and provides effective support to the Board. Further information on the process is set out on page 121.

2026 Directors' Remuneration Policy renewal

The current Directors' Remuneration Policy was approved at the 2023 AGM and, in accordance with the normal three-year cycle, is due to expire at the 2026 AGM. In advance of this, the Committee will undertake a full review of the policy to ensure that it appropriately aligns with the Burberry Forward strategy. I look forward to engaging with shareholders during the year to further understand their views on remuneration at Burberry and to discuss any proposed changes to the policy.

I look forward to receiving your support for the Directors' Remuneration Report at the AGM on 16 July 2025.

Danuta Gray

Chair, Remuneration Committee

AT A GLANCE

The Directors' Remuneration Policy was approved by shareholders at the AGM on 12 July 2023 and is set out in full in the Directors' Remuneration Report 2022/23, which can be found in the Annual Report 2022/23 at Burberryplc.com.

Element	Approach for FY 2024/25	Approach for FY 2025/26
Base salary	Salaries from 1 July 2024: • Jonathan Akeroyd (CEO until 15 July 2024) – £1,138,500 • Joshua Schulman (CEO from 17 July 2024) – £1,200,000 • Kate Ferry (CFO) – £675,000	After full consideration of the broader context and approach for the wider workforce, no salary increases were awarded for the Executive Directors for FY 2025/26.
Pension	Pensions for FY 2024/25 were in line with the maximum employer pension contribution available to the majority of the UK workforce (currently 10% of salary).	No change for FY 2025/26.
Benefits	The cash benefits allowances for FY 2024/25 were: • Jonathan Akeroyd (CEO until 15 July 2024) – £50,000 • Kate Ferry (CFO) – £20,000 The allowance for Jonathan Akeroyd was pro-rated to reflect the portion of the year during which he was employed by Burberry. Joshua Schulman did not receive a cash benefits allowance. Non-cash benefits principally include private medical, long-term disability insurance and life assurance. Joshua Schulman received reasonable costs associated with his relocation from New York to London. Further details are set out on page 142.	No change for FY 2025/26.
Annual bonus	Maximum annual bonus of 200% of salary. Performance measures: • 75% adjusted operating profit • 25% strategic objectives As set out in the Committee Chair's statement, Joshua Schulman's bonus was modified for FY 2024/25. Further details are set out on page 144. Executive Directors are required to invest 50% of any net bonus into Burberry shares until the shareholding guideline is met. Malus and clawback provisions apply.	No change in the maximum annual bonus opportunity for FY 2025/26. Performance measures for the CEO and the CFO for FY 2025/26: • 75% adjusted operating profit • 25% strategic objectives
Burberry Share Plan	Maximum annual award levels: • Joshua Schulman (CEO) – 162.5% of salary • Kate Ferry (CFO) – 150% of salary Awards vest in full after three years subject to achievement of performance underpins and are subject to a holding period to the fifth anniversary of grant of award. Details of the performance underpins for the 2024 awards are set out on page 146. Malus and clawback provisions apply.	The Committee decided to increase the BSP award level for the CFO to 162.5% of salary as set out on page 146. Maximum annual award levels: • Joshua Schulman (CEO) – 162.5% of salary • Kate Ferry (CFO) – 162.5% of salary Details of the performance underpins for the 2025 awards are set out on page 147.
Recruitment award	As set out in the Committee Chair's statement, Joshua Schulman was granted a recruitment award of 300% of salary. Further details, including the performance conditions that apply to the recruitment award, are set out on pages 147 and 148.	N/A
Shareholding guideline	300% of salary Post-employment shareholding guideline of 300% of salary (or actual shareholding if lower) for two years after stepping down as an Executive Director.	No change for FY 2025/26.

Details of the principles the Committee took into account when developing the Directors' Remuneration Policy, including Provision 40 of the UK Corporate Governance Code, are set out on page 212 of the Annual Report 2022/23.

The Committee considers that the Directors' Remuneration Policy operated as intended during FY 2024/25.

BROADER EMPLOYEE REWARD AT BURBERRY

At Burberry, our reward philosophy is to provide our colleagues across the Group with fair, equitable and competitive total reward. Our remuneration framework is designed to support our strategy and to inspire our colleagues to deliver outstanding results. Our framework is cascaded across the Group and consists of the following key components:

Base salary

All colleagues receive a fair and equitable market-driven salary.

How we reward and support our colleagues

- We review salaries on an annual basis through our pay review process
- For the 2025 pay review we have built on the scaled approach that we introduced for the 2024 pay review where we provided proportionately higher increases to our more junior colleagues
- In the UK, where we are a Principal Partner of the Living Wage Foundation and an accredited UK Living Wage employer, in April 2025 we implemented a pay increase of 4.8% for colleagues outside London and 5% for colleagues in London. For the second year in a row, these were above the recommended rates set by the Living Wage Foundation

Executive Director alignment

There will be no increase to the base salaries of Executive Directors for FY 2025/26.

Benefits

All colleagues are eligible to participate in a range of market-driven benefits, including those promoting wellbeing and supporting saving for retirement.

How we reward and support our colleagues

Our global benefits offer includes:

- Parental Leave Policy providing all eligible new parents with 18 weeks' paid leave
- Wellbeing days (in addition to annual leave entitlement) providing paid time off during the year
- Volunteering Policy providing colleagues with three paid volunteering days per year
- Employee discount and product sales
- Long service awards at each five-year milestone
- Pension schemes available in line with local market practice
- Access to our Employee Assistance Programme

Executive Director alignment

Executive Directors receive a pension allowance in line with the rate available to the majority of the UK workforce. They are eligible for a range of market-typical non-cash benefits.

Variable pay

All colleagues are eligible for short-term performance-related pay to recognise and reward their contribution.

How we reward and support our colleagues

- We are not making a payment under the annual corporate bonus plan for FY 2024/25, but will instead pay a one-off discretionary recognition award to current eligible colleagues to recognise and thank them for their commitment and contribution during FY 2024/25 as we start to implement the Burberry Forward strategy
- We have evolved our Retail Variable Pay Plan to further align reward with business objectives. Performance metrics are now assessed independently with an enhanced payout structure that provides greater recognition for exceptional results. Additionally, the Retail Variable Pay Plan places more emphasis on role-specific contributions, ensuring that colleagues are rewarded in relation to the areas they can directly influence

Executive Director alignment

Following his appointment the CEO participated in a modified bonus plan for FY 2024/25. The CFO received a bonus payout for FY 2024/25 in relation to her performance against strategic objectives.

Share plans

All colleagues are eligible to participate in Burberry share plans to recognise and reward their contribution and to enable them to share in our future success.

How we reward and support our colleagues

We offer the following share plans at Burberry:

- FreeShare Plan: gives all colleagues the opportunity to participate in our future success through an annual award of free shares with a value of approximately £500
- ShareSave: provides the opportunity for colleagues to save monthly from their pay up to a maximum of £500 per month and buy shares at a 20% discount to the market price at grant
- Burberry Share Plan (BSP): rewards approximately 700 of our senior colleagues for delivering on our long-term strategy. Awards are granted annually and vest after three years, subject to continued employment, with the next annual vesting in July 2025

Executive Director alignment

Executive Directors are eligible to participate in our share plans.

ANNUAL REPORT ON REMUNERATION

FY 2024/25 total single figure remuneration for Executive Directors (audited)

The table below sets out the single figure of total remuneration received or receivable by the Executive Directors in respect of FY 2024/25 (and the prior financial year). The subsequent sections detail additional information for each element of remuneration.

	Salary £'000	Allowances and benefits £'000	Pension £'000	Bonus £'000	Burberry Share Plan (BSP) £'000	All-employee share plans £'000	Prior company buy-out awards[4] £'000	**Total £'000**	Total fixed remuneration £'000	Total variable remuneration £'000
Executive Directors										
Joshua Schulman										
Year to 29 March 2025[1]	846	425	85	1,200	–	–	–	**2,556**	1,356	1,200
Kate Ferry										
Year to 29 March 2025	672	33	67	135	–	–	–	**907**	772	135
Year to 30 March 2024[2]	479	36	48	122	–	–	1,278	**1,963**	563	1,400
Former Executive Director										
Jonathan Akeroyd										
Year to 29 March 2025[3]	333	80	33	–	–	–	–	**446**	446	–
Year to 30 March 2024	1,129	105	113	–	–	–	–	**1,347**	1,347	–

1. Remuneration in the table above in relation to Joshua Schulman for the year to 29 March 2025 relates to his period of employment as CEO from 17 July 2024.
2. Remuneration in the table above in relation to Kate Ferry for the year to 30 March 2024 relates to her period of employment as CFO from 17 July 2023.
3. Remuneration in the table above in relation to Jonathan Akeroyd for the year to 29 March 2025 relates to his period of employment as CEO to 15 July 2024.
4. The value shown in the 'prior company buy-out awards' column for Kate Ferry represents the value of her buy-out awards. Further details are set out in the Directors' Remuneration Report 2022/23.

Salary (audited)

The table below details annual salaries as at 29 March 2025 and those that will apply from 1 July 2025. Taking into account business performance and the broader shareholder experience, the Committee determined that annual salaries for the Executive Directors will not be increased from 1 July 2025. The budgeted salary increase for our UK workforce for 2025 was 3.3%.

	As at 29 March 2025	As at 1 July 2025	% change
Joshua Schulman	£1,200,000	£1,200,000	0%
Kate Ferry	£675,000	£675,000	0%

Jonathan Akeroyd's annual salary was £1,138,500 until his departure from Burberry on 15 July 2024.

Pension (audited)

The pension cash allowances for the Executive Directors are aligned to the maximum employer pension contribution available to the majority of the UK workforce at 10% of base salary.

No Director has a prospective entitlement to receive a defined benefit pension.

Allowances and benefits (audited)

The table below details the cash allowances and non-cash benefits received by the Executive Directors during FY 2024/25 in accordance with the Directors' Remuneration Policy and as disclosed in the single figure table.

FY 2024/25 (£'000)	Cash allowance	Private medical insurance	Life assurance	Long-term disability insurance	Tax and legal advice[3]	Relocation costs	Other[4]
Executive Directors							
Joshua Schulman[1]	–	13	7	1	24	380	–
Kate Ferry	20	5	3	2	3	–	–
Former Executive Director							
Jonathan Akeroyd[2]	15	15	6	13	11	–	20

1. Values shown above reflect the fact that Joshua Schulman's employment commenced on 17 July 2024.
2. Values shown above reflect the fact that Jonathan Akeroyd's employment ceased on 15 July 2024.
3. The values shown in the 'tax and legal advice' column include legal fees incurred in respect of Joshua Schulman's appointment and Jonathan Akeroyd's departure.
4. In accordance with our policy for the wider UK workforce, Jonathan Akeroyd received a payment of £19,705 in respect of 4.5 days of untaken accrued annual leave.
5. There were no changes to benefits policies during the year.

The value shown in the 'relocation costs' column for Joshua Schulman reflects costs for temporary accommodation of £135,171 (grossed up for tax) and home search assistance and transportation of goods of £120,655 in connection with his relocation from New York to London. Joshua is also eligible to receive a housing allowance of £25,000 per month (gross) for up to 18 months. Five months of this allowance is included in the 'relocation costs' column above and the remainder will be included in subsequent Directors' Remuneration Reports as appropriate.

Annual bonus for FY 2024/25 (audited)

Both Executive Directors were eligible for a maximum bonus of 200% of base salary. For the CFO, the annual bonus for FY 2024/25 was based 75% on Group adjusted operating profit performance (at FY 2023/24 CER) and 25% on strategic objectives including strategic, operational and environmental and social measures. Details of the modified approach to the CEO's annual bonus for FY 2024/25 only are set out on page 144.

Adjusted operating profit performance

The table below sets out the targets and the performance achieved for FY 2024/25 in relation to the Group adjusted operating profit performance measure:

	FY 2024/25 Group adjusted operating profit targets				FY 2024/25 Group adjusted operating profit achieved (CER[1])
	Threshold (25% of maximum)	Target (50% of maximum)	Stretch (85% of maximum)	Maximum (100% of maximum)	
Kate Ferry	£342.3m	£370m	£397.8m	£418m	£51m

1. This measure removes the effect of changes in exchange rates.

Adjusted operating profit for bonus purposes is calculated using the average exchange rates of FY 2023/24 and on a pro forma basis. Details of pro forma results for FY 2024/25 are set out on page 32.

Based on the adjusted operating profit delivered, this element of the annual bonus will pay out at 0% (out of 75%).

CFO's strategic performance

The Committee was mindful of the challenges that FY 2024/25 presented and the continuity that Kate provided during the CEO transition. Similarly, following the launch of the Burberry Forward strategy in November, Kate has worked closely with Joshua to stabilise the business and implement the initial stages of our strategic plan.

In its assessment of the CFO's performance for the year, the Committee considered Kate's achievements against the following strategic objectives:

- **Delivering operating costs initiatives:** in partnership with the CEO, Kate has delivered a number of operating costs initiatives to unlock savings, resulting in the achievement of £24 million cost savings for FY 2024/25. Her rigorous focus and leadership have contributed to an adjusted operating profit for FY 2024/25 of £26 million (£51 million at CER), compared with the uncertain outlook at the interim results in November. Key cost-saving initiatives led by Kate in partnership with the CEO included headcount reduction and the initiation of a further cost savings programme, bringing the expected combined annualised savings to £100 million by FY 2026/27.
- **Managing cash flow:** despite significantly lower profitability, Kate's strong management of working capital and capital expenditure during FY 2024/25 resulted in free cash flow of £65 million which is broadly flat to last year.
- **Reducing inventory:** Kate has worked in partnership with the CEO to restore scarcity to the inventory model through swift action to address the inventory overhang and to implement tighter seasonal buys. This has resulted in a reduction of gross inventory by 7% versus last year at CER.
- **Corporate funding and cash management:** during FY 2024/25, Kate led our efforts to maintain cash balances that are consistent with a strong balance sheet with an investment grade credit rating. She has maintained access to debt capital markets to meet the Group's trading and strategic needs throughout the transformation period and maintained a balanced portfolio of debt in terms of maturity and sources of finance. This has been achieved through extending our £300 million Revolving Credit Facility (RCF) to November 2027, securing an additional £75 million RCF to March 2027 and issuing a £150 million bond in December 2024, bringing the total amount of the June 2030 bond to £450 million and maintaining our investment grade credit rating.
- **Driving our people strategy:** Kate has executed the CEO's drive for organisational clarity within the Finance function, including making a number of key appointments to her leadership team, and has supported the CEO in executing this more broadly across the business. Finance colleagues have expressed increased optimism and engagement in the second half of the year, reflected in the results of our Engagement Surveys.

The Committee also took into account Kate's significant contribution in stabilising the business through a very challenging period and that the cost savings that she drove positioned the business well as we exited FY 2024/25. In addition, she played a key role in onboarding the new CEO and supporting the development and delivery of the initial stages of Burberry Forward. Based on the Committee's assessment of performance against the strategic measures, this element will pay out at 10% (out of 25%).

CFO's annual bonus outcome for FY 2024/25

Considering the performance delivered, the Committee determined that for FY 2024/25 the CFO would receive an annual bonus of £135,000, representing 10% of her maximum bonus. The Committee considered that this level of bonus payout would be appropriate taking into account Kate's performance during FY 2024/25.

Under the Directors' Remuneration Policy, the Executive Directors are required to invest 50% of any net bonus earned into Burberry shares until their shareholding guideline of 300% of salary is met. Kate will therefore invest 50% of her net annual bonus for FY 2024/25 into Burberry shares.

CEO's annual bonus for FY 2024/25

Joshua was eligible for a bonus for the full financial year (recognising that he would be employed for the majority of FY 2024/25). The Committee was mindful of both the importance of recruiting a CEO who would be able to navigate Burberry through the challenges it faced, incentivising him to achieve short-term actions in FY 2024/25, as well as laying the foundations for future success.

As set out on page 137, it was deemed inappropriate for the CEO's annual bonus to be subject to the original targets set at the start of the financial year for his predecessor. Therefore, for FY 2024/25 only, the Committee has set the operation of the CEO's annual bonus so that it is entirely dependent on operational and strategic measures.

In its assessment of the CEO's performance for the year, the Committee considered Joshua's achievements against the following strategic objectives:

- **Resetting our strategic focus on core product categories:** as communicated in the Burberry Forward strategy announcement in November, Joshua has aligned our product focus to our core categories. This has seen us evolve visual merchandising to give greater prominence to outerwear and scarves, as well as refresh our marketing strategy (more detail is set out below). Joshua has moved at pace to restore scarcity to the inventory model through swift action to address the inventory overhang and to implement tighter seasonal buys. This has resulted in a reduction of gross inventory by 7% versus last year at CER. Joshua has also brought discipline to the number of new products in our future seasonal assortments and has improved the year-on-year sell through of the Spring and Summer 2025 collections.
- **Repositioning our marketing strategy:** Joshua has executed our brand repositioning to focus on Timeless British Luxury and a mix of heritage and modern elements which has resulted in positive brand momentum in the second half of FY 2024/25. Joshua has delivered a number of marketing campaigns which have been successful in resetting and improving the perception of the Burberry brand, including our 'It's Always Burberry Weather' outerwear campaign, our 'Wrapped in Burberry' festive campaign and our 'London in Love' campaign. The Burberry Winter 2025 show in February was extremely well received and delivered a significant increase in views, press coverage and total reach compared with The Burberry Winter 2024 show. As a result, during FY 2024/25 we saw brand desirability and brand affinity reach their highest level in three years.
- **Refreshing our pricing architecture:** Joshua has worked quickly to implement a refreshed pricing architecture, aligning prices with our category authority and ensuring that product is available at a variety of price points. As a result, the Autumn 2025 collection saw a low single digit reduction in average unit retail (AUR) compared with the Autumn 2024 collection and our intake margin has improved.
- Our change in strategic focus and new approach to marketing strategy and pricing architecture have been well received by our customers, with particularly positive sales momentum in our scarves and outerwear categories. Joshua's immediate actions to reset brand storytelling, enhance visual merchandising in stores and online, and align product focus to our core categories has resulted in a significant improvement in our comparable retail sales in the second half of FY 2024/25 relative to the first half.
- **Delivering operating costs initiatives:** since his appointment, in partnership with the CFO, Joshua has accelerated the pace of delivery of a number of operating cost initiatives to unlock savings, resulting in the achievement of £24 million cost savings for FY 2024/25. Key cost-saving initiatives in the second half of FY 2024/25 included headcount reduction and the initiation of a further cost savings programme, bringing the expected combined annualised savings to £100 million by FY 2026/27.
- **Driving our people strategy:** Joshua moved quickly to drive organisational clarity and make changes to his leadership structure to deliver the Burberry Forward strategy and put the customer at the centre of everything we do. He has swiftly made a number of key appointments to enhance his executive team and has simplified the organisational structure. The return to our refurbished global headquarters at Horseferry House in London is now complete, reuniting the creative and commercial teams to enhance collaboration and productivity. The initial response of colleagues to Joshua has been very positive, especially in relation to his leadership style, authenticity and clarity of vision; this was borne out by feedback on both Joshua and the Burberry Forward strategy in the January and March meetings of the Global Workforce Advisory Forum. Colleagues have also expressed optimism in our Engagement Surveys since Joshua's appointment.

As well as delivery against the strategic objectives, Joshua has moved at pace to execute the turnaround and advance our strategy to reignite brand desire, improve performance and drive long-term value creation. Following his appointment, he worked quickly to stabilise the business against an uncertain macroeconomic backdrop and luxury slowdown and established positive relationships with our investors. His focus on controlling costs, focused trading and improved marketing have contributed to an adjusted operating profit for FY 2024/25 of £26 million (£51 million at CER), compared with the uncertain outlook at the interim results in November.

These actions positioned the business well as we exited FY 2024/25. Although there is much work to do on execution of the strategy, Joshua has made an immediate impact on the business, ensuring we moved into FY 2025/26 with positive momentum.

Based on its assessment of Joshua's performance and taking into consideration the feedback received from some of our shareholders during the consultation, the Committee determined that it would be appropriate for the CEO to receive a bonus of £1,200,000 for FY 2024/25, representing 50% of his maximum bonus.

As Joshua has not met his shareholding guideline of 300% of salary, he will invest 50% of his net annual bonus for FY 2024/25 into Burberry shares.

Annual bonus for FY 2025/26

For FY 2025/26 the Executive Directors will be eligible for a maximum bonus of 200% of salary. The annual bonus for FY 2025/26 will be based 75% on Group adjusted operating profit performance (at FY 2024/25 CER) and 25% on strategic measures aligned to the Burberry Forward strategy, including key sustainability measures. The adjusted operating profit targets are considered to be commercially sensitive and will be disclosed in the Directors' Remuneration Report 2025/26.

The strategic objectives for FY 2025/26 for the CEO and the CFO will include measures linked to Burberry Forward. When assessing performance in this area the Committee will consider key measures linked to the strategy, including customer, brand, product, distribution, culture, cost and sustainability.

For each strategic measure the Committee will determine the payout in the round, taking into account our progress during the year. Details of the progress achieved and the Committee's determination of bonus outcomes will be provided in the Directors' Remuneration Report 2025/26.

Under the Directors' Remuneration Policy, the Executive Directors will be required to invest 50% of any net bonus earned into Burberry shares until their shareholding guideline of 300% of salary is met.

Long-term incentive plan awards

The following section sets out details of:

- 2022 BSP awards vesting based on performance to FY 2024/25
- 2024 BSP awards granted during FY 2024/25
- 2025 BSP awards to be granted during FY 2025/26

2022 BSP awards vesting subject to performance underpins to FY 2024/25 (audited)

Neither Executive Director was in role when the 2022 BSP awards were granted and therefore no BSP awards will vest to Executive Directors based on performance to FY 2024/25.

2024 BSP awards granted during FY 2024/25 (audited)

The Committee granted a 2024 BSP award of 162.5% of salary to Joshua Schulman and of 150% of salary to Kate Ferry on 30 July 2024 in line with the Directors' Remuneration Policy approved by the shareholders at the 2023 AGM.

The table below summarises the BSP share awards granted to the Executive Directors during FY 2024/25.

	Type of award	Basis of award	Shares awarded	Face value at grant (£'000)	Performance underpin period
Joshua Schulman	BSP share award	162.5% of salary	212,531	£1,950	3 years to 27 March 2027
Kate Ferry	BSP share award	150% of salary	110,353	£1,012	3 years to 27 March 2027

Jonathan Akeroyd was not granted a 2024 BSP award following his departure on 15 July 2024.

2024 BSP awards granted to the Executive Directors will vest in full three years from the grant date, subject to the performance underpins outlined on page 146. The awards will be subject to a two-year holding period so that the total time horizon before any sale of shares (except to cover any tax liabilities arising from the award) is five years for the entire award. The number of shares that vest will include additional shares in respect of any dividend equivalent payable on the award.

Prior to the 2024 BSP grant date the Committee carefully considered the impact of the share price on the number of shares due to be granted and determined that it would be better able to judge whether a windfall gain had occurred at vesting rather than at grant. As set out in last year's Directors' Remuneration Report, the Committee's original intention was to maintain BSP awards at their normal levels. However, the Committee continued to monitor the share price up to the grant date and, in recognition of the share price volatility experienced following our first quarter trading update and CEO transition announcements on 15 July 2024, it determined to exercise its discretion to align the award price for the grant with an average price calculated over a longer period of 20 business days before 15 July 2024 (£9.1751). This effectively reduced the number of shares granted for all BSP participants, including the Executive Directors, by 20%.

In addition, the Committee will continue to monitor share price changes and will consider whether it would be appropriate to further scale back awards at the point of vesting. As disclosed last year, a framework has been developed to assist the Committee in identifying whether Executive Directors have benefited from windfall gains.

2024 BSP awards are subject to the following performance underpins:

2024 BSP award performance underpins	Details
Revenue	The level of Total Revenue at CER for FY 2026/27 being at least £3,200 million
ROIC	The level of Group ROIC at reported exchange rates for FY 2026/27 being at least 1% above the Group's Weighted Average Cost of Capital (WACC) at the time of vesting (the Group's WACC was c.10% at the time of award)
Brand and sustainability strategies	Reasonable progress having been achieved over the vesting period in respect of our strategy to elevate our brand and to build a more sustainable future: • Brand: when assessing the brand underpin the Committee will consider performance against a range of relevant brand KPIs. This may include full-price sales, outerwear and leather goods sales and progress on brand elevation, but it may also include other relevant metrics. These metrics are all considered to be aligned with our strategy of elevating the brand to generate long-term value for shareholders • Sustainability: when assessing the sustainability underpin the Committee will consider whether reasonable progress has been delivered against our sustainability and carbon reduction goals

If the Company does not meet one or more of the performance underpins outlined above, then the Committee would consider whether it was appropriate to scale back the level of payout under the BSP award. The intention of the performance underpins is to provide a 'safeguard' to ensure that the BSP awards do not pay out if the Company has underperformed and vesting is not justified; the Committee will take this intention into account when assessing the underpins.

In addition to the underpins described above, the Committee also retains the discretion to adjust the vesting outcome if it is not considered to be reflective of the underlying financial or non-financial performance of the business or the performance of the individual, where underpins are no longer considered appropriate or where the vesting outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders.

2025 BSP awards to be granted during FY 2025/26

The Committee intends to grant 2025 BSP awards of 162.5% of salary to the Executive Directors. As set out in the Committee Chair's statement on page 139, the Committee decided to increase the CFO's award from 150% to 162.5% of salary in recognition of her performance and development in her role since joining Burberry, as well as the key part she is expected to play in executing the Burberry Forward strategy.

The Committee carefully considered the impact of share price on the number of shares granted under the BSP and shareholder guidance in relation to this. The Committee considered that it would be better able to judge whether the Executive Directors had benefited from a windfall gain at vesting using the windfall gain framework that has been developed to support the Committee. The Committee will continue to monitor the share price up to the time of the grant of the award in July.

The awards will vest in full three years following the date of grant, subject to the performance underpins. The awards will be subject to a two-year holding period so that the total time horizon before any sale of shares (except to cover any tax liabilities arising from the award) is five years for the entire award. The number of shares that vest will include additional shares in respect of any dividend equivalent payable on the award.

If the Company does not meet one or more of the performance underpins outlined on page 147, the Committee would consider whether it was appropriate to scale back the level of payout under the BSP award. The Committee would retain discretion to determine the appropriate level of scale-back.

The Committee has reviewed the performance underpins and determined that the underpins that applied to previous BSP awards continue to reflect a good overall balance of safeguarding the financial stability of the business, delivery of the strategy and elevation of the brand. For 2025 the Committee has also reviewed the level of the BSP underpins taking into account that their purpose is to act as a 'safeguard' to ensure that awards do not pay out if the Company has underperformed, as opposed to being stretching performance targets. In light of the challenging macroeconomic environment and the commercial context for Burberry, the Committee has updated the revenue and ROIC underpins for the 2025 BSP awards to ensure they are relevant and appropriate.

The following performance underpins will apply to the 2025 BSP awards:

2025 BSP award performance underpins	Details
Revenue	The level of Total Revenue at CER for FY 2027/28 being at least £2,600 million
ROIC	Reasonable progress having been achieved over the vesting period in respect of the Group Return on Invested Capital, taking into account the Group's Weighted Average Cost of Capital (the Group's WACC is currently c.10.5%)
Brand and sustainability strategies	Reasonable progress having been achieved over the vesting period in respect of our brand and sustainability strategies: • Brand: the Committee will consider progress against a basket of brand and strategy related KPIs which are aligned to the Burberry Forward strategy • Sustainability: the Committee will consider whether reasonable progress has been achieved against our sustainability and carbon reduction goals

In addition to the performance underpins described above, the Committee also retains the discretion to adjust the vesting outcome if it is not considered to be reflective of the underlying financial or non-financial performance of the business or the performance of the individual, where underpins are no longer considered appropriate or where the vesting outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders.

Payments to past Directors

There were no payments to past Directors above a de minimis limit of £3,000 during the year.

Joining arrangements for Joshua Schulman

Joshua Schulman was appointed to Burberry on 17 July 2024. Joshua's appointment was against a backdrop of macroeconomic uncertainty at a challenging time for Burberry. In setting his remuneration, the Committee was mindful of the importance of attracting a CEO with deep luxury and fashion expertise. Joshua is a proven leader with an outstanding record of building global luxury brands and driving profitable growth, and the Board determined that his experience in luxury and fashion would be instrumental in revitalising Burberry's business. It was therefore in shareholders' interests that the remuneration package we offered was sufficient and attractive enough to recruit a CEO of Joshua's calibre from the US talent market.

Joshua's remuneration package was set in line with the Directors' Remuneration Policy and for FY 2024/25 included an annual base salary of £1,200,000 and a pension cash allowance of 10% of base salary, in line with the maximum employer contribution available to the majority of the UK workforce. He was eligible to receive a maximum discretionary annual cash bonus of 200% of his base salary and is required to invest 50% of any net bonus payment into Burberry shares until he has satisfied the shareholding guideline of 300% of salary. Joshua is also eligible for a maximum BSP award of 162.5% of his base salary.

In order to ensure that a competitive remuneration package was developed that would attract Joshua to Burberry, he was granted a recruitment award on 19 December 2024 in line with the Directors' Remuneration Policy as set out below. The grant of Joshua's recruitment award took place following a consultation exercise with our largest shareholders and key proxy bodies which enabled us to share the context of Joshua's recruitment and his remuneration arrangements and understand their views.

	Type of award	Basis of award	Shares awarded	Face value at grant (£'000)	Performance period
Joshua Schulman	Recruitment share award	300% of salary	392,366	£3,600	3 years to 17 July 2027

The face value of the award was calculated using the 20 business day average price prior to the date of Joshua's appointment (£9.1751).

The number of shares that vest will include additional shares in respect of any dividend equivalent payable on the recruitment award. The recruitment award will be subject to a two-year post-vesting holding period until 17 July 2029.

The performance targets for the award are directly linked to shareholder value creation and Burberry's total shareholder return (TSR) performance. Vesting of the award requires the Company to meet the following stretching absolute TSR targets (with straight-line vesting between threshold and maximum):

	Absolute TSR targets[1]	
	Threshold (25% of maximum)	Maximum (100% of maximum)
Joshua Schulman	+49%	+109%

1. Absolute TSR performance will be measured relative to a base price of £6.71 (the 60 business day average price from the date of Joshua's appointment).

The Committee noted that the level of the award was below the median value of buy-out awards granted to FTSE 100 CEOs in the last four years.

Joshua's recruitment award was granted to facilitate recruitment pursuant to UK Listing Rule 9.3.2(2) on bespoke terms similar to the terms of the BSP except that the individual limit on awards was disapplied. Shares vesting under the recruitment award are subject to (after sales for tax) a holding requirement until 17 July 2029 and clawback until 19 December 2030. The number of shares under the recruitment award, the basis for determining Joshua's entitlement to shares and the terms relating to adjustment on any capitalisation issue, rights issue or open offer, subdivision or consolidation or reduction of capital or any other variation of capital cannot be altered to Joshua's advantage without the prior approval of shareholders in a general meeting (except for minor amendments to benefit the administration of the award, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for Joshua or Burberry). The recruitment award is not pensionable. All other terms of the BSP rules apply to the recruitment award.

The Committee carefully considered the award and was satisfied that in the circumstances it was reasonable to attract a CEO of Joshua's calibre from the US market and appropriately structured to align him with shareholders from the outset.

The recruitment award will be reported in the single figure table for FY 2027/28.

In line with the Directors' Remuneration Policy and based on our internal policy for international relocations, Joshua is eligible to receive reasonable costs associated with his relocation from New York to London. Further details are set out on page 142.

In addition, Joshua is eligible to receive other benefits including private medical insurance, life assurance, long-term disability insurance, an employee discount, reasonable assistance with his tax returns and participation in our all-employee share plans.

Joshua was not granted any buy-out awards.

Leaving arrangements for Jonathan Akeroyd

Jonathan Akeroyd left Burberry on 15 July 2024. He was paid salary, cash benefits allowance and pension allowance and received contractual benefits up to that date. These are shown in the single figure table on page 142. Thereafter he was eligible to receive a payment in lieu of 12 months' notice, comprising salary, cash benefits allowance and pension allowance, paid in equal monthly instalments, subject to mitigation. He did not receive any annual bonus in respect of FY 2024/25 and all his unvested share awards lapsed on his departure from Burberry. In accordance with our policy for the wider UK workforce, he received a payment of £19,705 in respect of untaken accrued annual leave. He will also be provided with reasonable assistance to prepare and file his tax returns in respect of the 2023/24 and 2024/25 tax years. The Company also arranged for private medical insurance for Jonathan and his family to be continued for the balance of FY 2024/25.

Jonathan will not receive any other payments, including for loss of office.

As a former Executive Director, Jonathan is required to comply with Burberry's post-employment shareholding guideline in respect of share awards that vested on or after the date of the AGM in July 2020. Further details of Jonathan's shareholding guideline compliance as at 29 March 2025 are set out on page 149.

Share interests and shareholding guideline (audited)

Executive Directors are subject to a shareholding guideline of 300% of base salary. There is no specific timeline in which the shareholding guideline must be achieved. However, there is an expectation that Executive Directors make annual progress towards their guideline, regardless of any annual bonus paid or shares vesting. In line with the Investment Association best practice guidance, our shareholding guideline permits any incentive shares that have vested but are unexercised or that have not yet vested but are not subject to any further performance conditions/underpins to count towards the shareholding requirement at 50% of their face value. Other members of the Executive Committee are also subject to a shareholding guideline.

The following table sets out the total beneficial interests of the Executive Directors (and their connected persons) in ordinary shares of Burberry Group plc as at 29 March 2025, as well as their progress against the shareholding guideline. The table also summarises conditional interests in share or option awards, with further detail of the underlying awards in the subsequent table.

Based on the three-month average share price to 29 March 2025 (our standard approach to assessing the guideline), neither Joshua Schulman nor Kate Ferry had met the guideline. They have both joined Burberry relatively recently and have demonstrated progress towards their guideline.

	Beneficially held shares			Share/option awards				
	Number of shares beneficially owned as at 29 March 2025[1]	As % of salary[2]	Shareholding guideline (% of salary)	Guideline met as at 29 March 2025	Vested but unexercised awards	Unvested – subject to performance conditions (recruitment award)	Unvested – subject to performance underpins (BSP awards)	Unvested – subject to continued employment[3]
Executive Directors								
Joshua Schulman	5,051	4.4%	300%	No	0	392,366	212,531	51
Kate Ferry	8,352	12.8%	300%	No	0	0	156,751	1,568
Former Executive Director								
Jonathan Akeroyd[4]	181,399	164.7%	300%	No	0	0	0	0

1. There have been no changes in the period up to and including 13 May 2025.
2. Based on the three-month average share price as at 29 March 2025 of £10.36.
3. In line with the shareholding guideline, only 50% of the face value of these shares counts towards the Executive Director's shareholding guideline calculation (other than shares under the all-employee Share Incentive Plan (SIP), which are held beneficially and count towards the Executive Director's shareholding guideline calculation). This also includes ShareSave options (which do not count towards the Executive Director's shareholding guideline calculation).
4. The table shows Jonathan Akeroyd's shareholding on 15 July 2024 when his employment ended and reflects the lapse of his unvested share awards. His shareholding guideline calculation is based on the three-month average share price prior to that date (£10.34). On 15 June 2024 the final tranche of Jonathan's buy-out award vested (a net number of 14,468 shares which included additional shares in respect of the dividend equivalent payable on the award).

As former Executive Directors, Jonathan Akeroyd and Julie Brown are required to comply with Burberry's post-employment shareholding guideline in respect of share awards that vested on or after the date of the AGM in July 2020. Under this guideline Jonathan is expected to retain a shareholding of 174,684 shares until 15 July 2026 and Julie was expected to retain a shareholding of 10,350 shares until 1 April 2025. As at 29 March 2025, Jonathan and Julie both complied with their obligation.

The following table provides further underlying detail on the unvested awards at 29 March 2025 included in the table above.

Executive Director	Type of award	Date of grant	Maximum number of shares/options	Performance period	Vesting date(s)[4]
Joshua Schulman	2024 BSP[2]	30 July 2024	212,531	3 years to 27 March 2027	30 July 2027
	Recruitment award[3]	19 December 2024	392,366	3 years to 17 July 2027	17 July 2027
	SIP	12 December 2024	51	N/A	12 December 2027
Kate Ferry	2023 BSP[1]	27 July 2023	46,398	3 years to 28 March 2026	27 July 2026
	2024 BSP[2]	30 July 2024	110,353	3 years to 27 March 2027	30 July 2027
	ShareSave[5]	14 December 2023	1,484	N/A	1 February 2027
	SIP	14 December 2023	33	N/A	14 December 2026
	SIP	12 December 2024	51	N/A	12 December 2027

1. The performance underpins for the 2023 BSP award are set out on page 132 of the Annual Report 2023/24.
2. The performance underpins for the 2024 BSP award are set out on page 146.
3. The performance conditions for the recruitment award granted to Joshua Schulman are set out on pages 147 and 148.
4. Vested BSP awards may not normally be sold until five years from the date of grant, other than to meet tax liabilities.
5. On 14 December 2023, Kate Ferry was granted a ShareSave option over 1,484 shares at an option price of £12.50 per share.

Director remuneration relative to employees

The table below summarises the change in each Director's base salary/fee, benefits and bonus received for FY 2024/25, FY 2023/24, FY 2022/23, FY 2021/22 and FY 2020/21 compared to the prior year. The regulations require disclosure of the same data for employees of the parent company. However, Burberry Group plc does not have any employees and therefore the table below includes data in respect of the UK employee population for reference.

	Salary/fee					Allowances and benefits					Bonus				
Year-on-year change (%)	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	**FY 2024/25**	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	**FY 2024/25**	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	**FY 2024/25**
Executive Directors															
Joshua Schulman	–	–	–	–	**N/A**	–	–	–	–	**N/A**	–	–	–	–	**N/A**
Kate Ferry	–	–	–	N/A	**0%**	–	–	–	N/A	**-21.8%**	–	–	–	N/A	**11.1%**
Non-Executive Directors															
Gerry Murphy	-5%	5.3%	0%	3%	**0%**	-93.3%	-21.4%	-75.4%	712.4%	**-2.5%**	–	–	–	–	**–**
Fabiola Arredondo	-5%	5.3%	0%	3%	**0%**	-100%	N/A	N/A	-5.8%	**23.4%**	–	–	–	–	**–**
Alessandra Cozzani	–	–	–	N/A	**0%**	–	–	–	N/A	**-11.5%**	–	–	–	N/A	**–**
Sam Fischer	-5%	5.3%	0%	3%	**0%**	-100%	N/A	1,453.6%	-33.2%	**48.1%**	–	–	–	–	**–**
Ron Frasch	-5%	5.3%	0%	3%	**0%**	-100%	N/A	171.1%	64.4%	**-40.3%**	–	–	–	–	**–**
Danuta Gray	–	N/A	25.1%	17%	**0%**	–	N/A	1,267.2%	71.7%	**65%**	–	N/A	–	–	**–**
Orna NíChionna	-3.5%	3.6%	-0.9%	-10.4%	**0%**	-66.3%	-21.7%	96.2%	20.8%	**-86%**	–	–	–	–	**–**
Antoine de Saint-Affrique	N/A	0%	0%	3%	**0%**	N/A	N/A	155.2%	0.4%	**2.8%**	N/A	–	–	–	**–**
Alan Stewart	–	–	N/A	34.5%	**9.5%**	–	–	N/A	3.7%	**-47.4%**	–	–	N/A	–	**–**
Former Directors															
Jonathan Akeroyd	–	N/A	0%	3%	**0%**	–	N/A	17.4%	22.5%	**9.8%**	–	N/A	N/A	-100%	**N/A**
Debra Lee	-5%	5.3%	0%	3%	**0%**	-100%	N/A	N/A	0.4%	**-77.5%**	–	–	–	–	**–**
UK Employees	0%	0%	4%	4%	**4%**	0%	0%	0%	0%	**0%**	-7.7%	233.3%	-48%	-85.6%	**-100%**

1. The comparator group includes all UK employees. As noted above, Burberry Group plc does not have any employees and therefore this group has been chosen to align with the location of the Executive Directors and with the pay ratio reporting. For the comparator group of employees, the year-on-year salary changes include the annual salary review in July but exclude any additional changes made in the year, for example on promotion. For FY 2021/22 benefits, the maximum employer pension contribution available to the majority of the UK workforce was increased from 6% of salary to 10% of salary with effect from 1 January 2022. The change in the value of benefits shown for the Executive Directors reflects the market cost of the same benefits.
2. In order to provide a meaningful comparison, the figures in the table above have been calculated on a full-year equivalent basis where Directors have served for part of the year only.
3. Where a Director was appointed during a financial year, it is not possible to calculate a percentage change for them and they are shown as N/A.
4. The Executive Directors did not receive an annual bonus for FY 2019/20 and therefore it is not possible to calculate a percentage change on bonus in respect of FY 2020/21. Jonathan Akeroyd did not receive an annual bonus for FY 2021/22 and therefore it is not possible to calculate a percentage change on bonus in respect of FY 2022/23.
5. The Directors in role at the time voluntarily agreed to waive 20% of their salary/base fee for a three-month period between April and June 2020. This is reflected in the negative changes shown in respect of FY 2020/21 and the corresponding positive changes shown in respect of FY 2021/22.
6. The allowances and benefits figures for FY 2020/21 for Gerry Murphy and Orna NíChionna were low due to the impact of COVID-19. In order to provide a meaningful comparison, the percentage change figure for FY 2021/22 was calculated relative to the allowances and benefits figure for FY 2019/20.
7. Allowances and benefits increased for Non-Executive Directors during FY 2022/23 due to the return of regular in-person meetings.
8. Orna NíChionna was appointed as Senior Independent Director with effect from 2 April 2022.
9. Danuta Gray replaced Orna NíChionna as Remuneration Committee Chair on 1 September 2022.
10. Alan Stewart replaced Matthew Key as Audit Committee Chair on 12 July 2023.
11. Jonathan Akeroyd left Burberry on 15 July 2024.
12. Debra Lee stepped down from the Board on 16 July 2024.
13. Joshua Schulman was appointed as CEO on 17 July 2024.

CEO pay ratios

The ratios set out in the table below compare the total remuneration of the CEO (as included in the single figure table on page 142) to the remuneration of the median UK employee as well as the UK employees at the lower and upper quartiles. The disclosure will build up over time to cover a rolling 10-year period.

Year	Method	25th percentile pay ratio (P25)	Median pay ratio (P50)	75th percentile pay ratio (P75)
FY 2024/25	Option A	92:1	70:1	45:1
FY 2023/24	Option A	44:1	33:1	21:1
FY 2022/23	Option A	153:1	116:1	73:1
FY 2021/22	Option A	225:1	167:1	105:1
FY 2020/21	Option A	92:1	71:1	44:1
FY 2019/20	Option A	68:1	48:1	31:1
FY 2018/19	Option A	170:1	127:1	82:1

Notes regarding calculation

The ratios are calculated using option A in the disclosure regulations. The employees at the lower quartile, median and upper quartile (P25, P50 and P75, respectively) were determined based on total remuneration using a valuation methodology consistent with that used for the CEO in the single figure table on page 142. The employees were identified based on all UK employees at year end. This option was selected on the basis that it provided the most accurate method of identifying the lower quartile, median and upper quartile employees. In line with the regulations, the CEO's total remuneration in respect of FY 2024/25 has been calculated as the total of Jonathan Akeroyd's remuneration (to 15 July 2024) and Joshua Schulman's remuneration (from 17 July 2024).

The total remuneration in respect of FY 2024/25 for the employees identified at P25, P50 and P75 is £33k, £43k and £66k, respectively. The base salary in respect of FY 2024/25 for the employees identified at P25, P50 and P75 is £26k, £37k and £59k, respectively.

The Committee considers pay ratios as one of many reference points when considering remuneration. Throughout the Group, pay is positioned to be fair and market-competitive in the context of the talent market for the relevant role, fairly reflecting local market data and other relevant benchmarks (such as the UK real Living Wage). The Committee notes the limited comparability of pay ratios across companies and sectors, given the diverse range of business models and employee population profiles which exist across the market.

A significant proportion of the CEO's total remuneration is delivered in variable remuneration, and particularly via long-term share incentives. In order to drive alignment with shareholders, the value ultimately received from share incentive awards is linked to long-term share price movement. As a result, the pay ratio is likely to be driven largely by the CEO's incentive outcomes and may therefore fluctuate significantly on a year-to-year basis.

The pay ratio for FY 2024/25 has increased compared to the ratio for FY 2023/24. This reflects the fact that for FY 2023/24 Jonathan Akeroyd did not receive an annual bonus and he was not in role to receive a BSP award that vested in respect of FY 2023/24. Therefore the CEO's total remuneration for FY 2023/24 only included the fixed elements of pay. The increase in the pay ratio for FY 2024/25 is primarily driven by the fact that Joshua Schulman received a target bonus for the year, resulting in a larger single figure compared to FY 2023/24.

The Committee considers that the median pay ratio for FY 2024/25 and the recent trends in the pay ratios are consistent with Burberry's remuneration framework and reflect the variable nature of the CEO's total remuneration. The Committee believes the pay ratio is consistent with our pay policies in the UK.

Relative importance of spend on pay for FY 2024/25

The table below sets out the total payroll costs for all employees over FY 2024/25 compared to total dividends and amounts paid to buy back shares during the year. The average number of full-time equivalent employees is also shown for context.

Relative importance of spend on pay		FY 2024/25	FY 2023/24
Dividends paid during the year (total)	£m	152[1]	233
	% change	-34%	
Amounts paid to buy back shares during the year	£m	–	400
	% change		
Payroll costs for all employees	£m	576	572
	% change	+1%	
Average number of full-time equivalent employees		8,701	9,169
	% change	-5%	

1. Dividends paid during the year reflect the final dividend for FY 2023/24 which was paid in August 2024.

Service agreements

The table below sets out information on service agreements for the current Executive Directors. Executive Directors are subject to annual re-election by shareholders at each AGM of the Company.

	Date of current service agreement	Date employment commenced	Notice period to and from Burberry
Joshua Schulman	14 July 2024	17 July 2024	12 months
Kate Ferry	14 March 2023	17 July 2023	12 months

Non-Executive Directors serve under letters of appointment with the Company. Non-Executive Directors may continue to serve subject to annual re-election by shareholders at each AGM of the Company, subject to six months' notice by either party.

Ten-year performance graph and Chief Executive Officer's remuneration

The following graph shows the total shareholder return (TSR) for Burberry Group plc compared to the FTSE 100 Index assuming £100 was invested on 31 March 2015. The FTSE 100 Index has been selected as the comparator because Burberry has been a constituent of the Index for the majority of the period shown. Data is presented on a spot basis and sourced from Datastream. The table below shows the total remuneration earned by the incumbent CEO over the same 10-year period, along with the percentage of maximum opportunity earned in relation to each type of incentive. The total amounts are based on the same methodology as used for the single figure of total remuneration for FY 2024/25 on page 142.

	FY 2015/16 (CB)[1]	FY 2016/17 (CB)[1]	FY 2017/18 (CB)[1]	FY 2017/18 (MG)[1]	FY 2018/19 (MG)[1]	FY 2019/20 (MG)[1]	FY 2020/21 (MG)[1]	FY 2021/22 (MG)[1]	FY 2021/22 (JA)[1]	FY 2022/23 (JA)[1]	FY 2023/24 (JA)[1]	**FY 2024/25 (JA)[1]**	**FY 2024/25 (JS)[1]**
Total remuneration (£'000)	1,894	3,508	1,091	6,330	4,078	1,618	2,245	1,205	4,428	4,289	1,347	**446**	**2,556**
Bonus (% of maximum)	0%	0%	51%	51%	60%	0%	25%	–	–	59%	0%	**0%**	**50%**
BSP (% of maximum)	–	–	–	–	–	–	–	–	–	–	–	**–**	**–**
Legacy incentive plans (no longer in operation):													
ESP (% of maximum)	–	–	5%	–	25%	0%	5.5%	–	–	–	–	**–**	**–**
CIP[2] (% of maximum)	0%	0%	–	–	–	–	–	–	–	–	–	**–**	**–**
RSP (% of maximum)	0%	19.3%	–	–	–	–	–	–	–	–	–	**–**	**–**
Exceptional award[3] (% of maximum)	–	61.7%	59.9%	–	–	–	–	–	–	–	–	**–**	**–**

1. Christopher Bailey (CB, Chief Creative Officer and CEO from 1 May 2014 to 4 July 2017), Marco Gobbetti (MG, CEO from 5 July 2017 to 31 December 2021), Jonathan Akeroyd (JA, CEO from 15 March 2022 to 15 July 2024), Joshua Schulman (JS, CEO from 17 July 2024).
2. The CIP was the Burberry Co-Investment Plan, a long-term incentive plan under which the final performance-based awards were granted in 2014. Details of this plan can be found in the relevant Directors' Remuneration Reports.
3. The exceptional award for Christopher Bailey relates to vesting of his 2014 exceptional share award as previously disclosed.

Non-Executive Director remuneration (audited)

The table below sets out the single figure of total remuneration received or receivable by the Non-Executive Directors in respect of FY 2024/25 (and the prior financial year).

	Year to 29 March 2025			Year to 30 March 2024		
	Fees[1] £'000	Benefits and allowances[2] £'000	Total £'000	Fees[1] £'000	Benefits and allowances[2] £'000	Total £'000
Non-Executive Directors						
Gerry Murphy	**438**	**9**	**447**	436	9	445
Fabiola Arredondo	**82**	**23**	**105**	82	19	101
Alessandra Cozzani[3]	**82**	**12**	**94**	48	13	61
Sam Fischer	**82**	**31**	**113**	82	21	103
Ron Frasch	**82**	**22**	**104**	82	36	118
Danuta Gray	**117**	**7**	**124**	117	5	122
Orna NíChionna	**102**	**1**	**103**	102	3	105
Antoine de Saint-Affrique	**82**	**20**	**102**	82	19	101
Alan Stewart[4]	**117**	**1**	**118**	107	2	109
Former Non-Executive Director						
Debra Lee[5]	**25**	**4**	**29**	82	20	102

1. Fees include the base fee and additional fees payable to the Senior Independent Director, the Audit Committee Chair and the Remuneration Committee Chair in line with the existing Directors' Remuneration Policy.
2. For Non-Executive Directors other than the Chair, allowances include an attendance allowance for each meeting attended outside their country or territory of residence. Non-Executive Directors appointed before 11 May 2023 currently receive £2,000 per meeting. Non-Executive Directors appointed from 11 May 2023 currently receive £2,000 for meetings that involve inter-continental travel and £1,000 for other meetings outside their country or territory of residence. Allowances also include the reimbursement of certain expenses incurred by the Non-Executive Directors in the performance of their duties, which are deemed by HM Revenue & Customs (HMRC) to be subject to UK income tax. Any tax liabilities arising on the reimbursement of these costs will be settled by the Company. Amounts disclosed have been estimated and have been grossed up at the appropriate tax rate, where necessary.
3. Fees for Alessandra Cozzani in relation to FY 2023/24 relate to the period from 1 September 2023 when she was appointed to the Board.
4. Fees for Alan Stewart in relation to FY 2023/24 include the Audit Committee Chair fee from 12 July 2023.
5. Fees for Debra Lee relate to the period to 16 July 2024 when she stepped down from the Board.

Summary of Non-Executive Director fees for FY 2025/26

Following a review, the Chair's fee and the base fee for the Non-Executive Directors will remain unchanged with effect from 1 July 2025.

The fee structure for the Non-Executive Directors for FY 2025/26 is set out in the table below.

	Fee level £'000
Chair[1]	440
Non-Executive Director	82.8
Senior Independent Director	20
Audit Committee Chair	35
Remuneration Committee Chair	35
Attendance allowance[2]	Up to 2

1. The Chair is not eligible for Committee-related fees or attendance allowances.
2. For Non-Executive Directors other than the Chair, allowances include an attendance allowance for each meeting attended outside their country or territory of residence. Non-Executive Directors appointed before 11 May 2023 currently receive £2,000 per meeting. Non-Executive Directors appointed from 11 May 2023 currently receive £2,000 for meetings that involve inter-continental travel and £1,000 for other meetings outside their country or territory of residence.
3. Expenses incurred in the normal course of business are reimbursed and, as these are considered by HMRC to be taxable benefits, the tax due on these will also be met by the Company.

Non-Executive Director shareholdings (audited)

The table below summarises the total interests of the Non-Executive Directors (and their connected persons) in ordinary shares of Burberry Group plc as at 29 March 2025 (or as at the date of stepping down, if earlier).

In line with the shareholding guideline, Non-Executive Directors hold shares with a market value at acquisition of £6,000 for each year of their appointment. As at 29 March 2025 (or as at the date of stepping down, if earlier), all of the Non-Executive Directors who had served more than one year since their appointment had fulfilled this guideline.

	Total number of shares owned
Non-Executive Directors	
Gerry Murphy	35,000
Fabiola Arredondo	30,000
Alessandra Cozzani	1,100
Sam Fischer	3,000
Ron Frasch	5,838
Danuta Gray	6,847
Orna NíChionna	3,067
Antoine de Saint-Affrique	3,100
Alan Stewart	2,350
Former Non-Executive Director	
Debra Lee	1,475

There have been no changes in the total number of shares owned in the period up to and including 13 May 2025.

Remuneration Committee in FY 2024/25

Committee membership

Danuta Gray, Fabiola Arredondo, Sam Fischer, Ron Frasch, Orna NíChionna and Alan Stewart served as members of the Committee throughout the year ended 29 March 2025.

Committee remit

The Committee's terms of reference are published on Burberryplc.com.

In addition to setting the remuneration of the Executive Directors, the Committee continues to directly oversee the remuneration arrangements for the Executive Committee, the Company Secretary and other members of senior management within its remit as determined from time to time.

Summary of meetings

The Committee typically meets four times a year. During FY 2024/25, the Committee held seven meetings. Other ad hoc discussions were held as required. Details of attendance at Committee meetings are set out on page 137. If any Committee members are unable to attend a meeting, they are given the opportunity to discuss any of the agenda items with the Committee Chair in advance of the meeting. The agenda items discussed at the seven meetings are summarised below. Other Committee matters, including remuneration arrangements for Executive Committee members and others within the Committee's remit, were determined by the Committee outside the scheduled meetings.

May 2024	• Update on external environment from independent advisors
	• FY 2023/24 incentive outcomes
	• FY 2024/25 performance targets and incentive awards
	• 2024 BSP awards, including performance underpins for Executive Directors
	• FY 2024/25 senior executive remuneration
	• Chair fees for FY 2024/25
	• Approval of Directors' Remuneration Report 2023/24
	• Update on share plan dilution
Early July 2024	• Remuneration aspects of the CEO transition
Late July 2024	• 2024 BSP awards, including award price for all participants and performance underpins for the CEO
	• Review of external independent advisors
September 2024	• 2024 AGM season shareholder and proxy body feedback
	• Recruitment award for the CEO – performance conditions
	• FY 2024/25 annual bonus plan strategic objectives for the CEO
	• Appointment of external independent advisors
November 2024	• Update on external environment from independent advisors
	• Recruitment award for the CEO and FY 2024/25 shareholder engagement on remuneration
	• Incentives performance update
	• All-employee share plan awards 2024
	• Committee annual planner
December 2024	• Recruitment award for the CEO and FY 2024/25 shareholder engagement on remuneration
March 2025	• Update on external environment from independent advisors
	• Incentives performance update
	• FY 2025/26 annual bonus plan proposals and proposed 2025 BSP awards
	• Approach to Directors' Remuneration Report 2024/25
	• Overview of broader employee reward and feedback from the March 2025 meeting of the Global Workforce Advisory Forum
	• UK Gender and Ethnicity Pay Gap Report for 2024/25 reporting year
	• Overview of timeline for renewal of the Directors' Remuneration Policy at the 2026 AGM
	• Update on Executive Committee members' shareholding guideline compliance
	• Review of Committee's terms of reference

Regular attendees at Committee meetings include the Chair of the Board, the CEO, the Company Secretary, the Chief People Officer, the Vice President Reward and representatives of the Committee's advisors. Other members of the senior management team may attend Committee meetings from time to time. Attendees are not present when their own remuneration is being discussed.

Advisors to the Committee

Deloitte was appointed as an independent advisor to the Committee in 2017 and reappointed in 2021 following a competitive tender process. Deloitte is a founding member of the Remuneration Consultants' Group (RCG), which is responsible for the development and maintenance of the voluntary Code of Conduct that clearly sets out the role of executive remuneration consultants and the professional standards by which they advise their clients. Fees are charged on a time and expenses basis and totalled £193,400 (plus VAT) during FY 2024/25. During the year Deloitte also provided other consulting services, tax compliance and advisory services. The Committee is satisfied that advice received from Deloitte during the year was objective and independent and that all individuals who provided remuneration advice to the Committee had no connections with Burberry or its Directors that may impair their independence. The Committee reviewed the potential for conflicts of interest and judged that there were appropriate safeguards against such conflicts.

The Committee also obtained independent advice from Farient Advisors, an executive compensation consultancy. Farient is a member of the RCG. Fees were charged on a time and expenses basis and totalled £52,750 (plus VAT) during FY 2024/25. The Committee is satisfied that advice received from Farient Advisors during the year was objective and independent and that all individuals who provided remuneration advice to the Committee had no connections with Burberry or its Directors that may impair their independence. The Committee reviewed the potential for conflicts of interest and judged that there were appropriate safeguards against such conflicts.

In September 2024 the Committee ran a competitive tender process for the appointment of Committee advisors, following which Deloitte was reappointed.

Linklaters LLP also provided advice to the Committee in relation to the operation of the Company's share plans, employment law considerations and compliance with legislation.

Remuneration voting results

The table below shows the results of the latest remuneration-related shareholder votes on the Directors' Remuneration Report and the Directors' Remuneration Policy.

AGM voting results	Votes for	Votes against	Votes withheld
To approve the Directors' Remuneration Report for the year ended 30 March 2024 (2024 AGM)	248,439,893 (86.88%)	37,506,163 (13.12%)	60,026
To approve the Directors' Remuneration Policy (2023 AGM)	271,202,999 (91.02%)	26,745,859 (8.98%)	975,510

The Committee and I continue to value the input of shareholders to help inform our thoughts on executive remuneration at Burberry. Going forward, as part of our commitment to build on the constructive dialogue we have established, we look forward to continuing to engage with you and receiving your support at the AGM in July.

This report has been approved by the Board and signed on its behalf by:

Danuta Gray
Chair, Remuneration Committee

13 May 2025

DIRECTORS' REPORT

The Directors present their Annual Report and the audited consolidated Financial Statements of the Company for the year ended 29 March 2025. For the purposes of the Companies Act 2006, the following are incorporated by reference and shall be deemed to form part of this Directors' Report:

- Strategic Report on pages 2 to 101
- Corporate Governance Statement, which includes the Board of Directors, the Corporate Governance Report and the Directors' Remuneration Report, on pages 102 to 161; and
- Global GHG emissions disclosure on page 58.

The Directors consider that the Annual Report and Accounts, taken as a whole, provide a fair, balanced and understandable assessment of the Group's business as necessary for shareholders and wider stakeholders to assess:

- development and performance during the year
- its position at the end of the financial year
- strategy
- likely developments
- any principal risks and uncertainties; and
- how we have engaged with our people and stakeholders.

For the purposes of compliance with the Disclosure Guidance and Transparency Rules 4.1.5R(2) and 4.1.8R, the required content of the management report can be found in the Strategic Report together with sections of the Annual Report incorporated by reference.

Share capital

Details of the issued share capital, together with details of movement in the issued share capital of the Company during the year, are shown in note 24 to the Financial Statements. This is incorporated by reference and deemed to be part of this report. The Company has one class of ordinary share of 0.05 pence each (Share), which carries no right to fixed income. Each Share carries the right to one vote at general meetings of the Company. The Shares are listed on the Official List and traded on the London Stock Exchange. No person has any special rights of control over the Company's share capital and all issued Shares are fully paid.

As at 29 March 2025, the Company had 363,816,314 Shares in issue, including 4,639,220 held in treasury. At the AGM in 2024, shareholders approved resolutions to allot Shares up to an aggregate nominal value of £59,763, and to allot Shares for cash other than pro rata to existing shareholders as well as a resolution to issue up to an additional 5% of issued share capital other than pro rata to existing shareholders in connection with an acquisition or specified capital investment. In order to retain maximum flexibility, resolutions will be proposed to shareholders at this year's AGM to renew these authorities.

Substantial shareholdings

As at 29 March 2025, the Company had been notified under Rule 5 of the Disclosure Guidance and Transparency Rules of the following major interests in its issued share capital:

	Number of Shares held	% of total voting rights[1]
Lindsell Train Limited	21,928,267	5.00
Massachusetts Financial Services Company	20,668,065	5.10
Schroders plc	19,361,546	5.10

1. As at the date of notification to the Company.

On 1 April 2025, the Company was notified by Norges Bank that it holds 11,342,299 Shares representing 3.16% of the total voting rights. The Company has received no other notifications of major interests in its issued share capital since 29 March 2025.

Interests in own Shares

Details of the Group's interests in its own Shares are set out in note 24 to the Financial Statements.

Share buyback

During the reporting period, no share buyback programmes were undertaken. The authority granted by shareholders at the 2024 AGM will remain in place until a new authority is granted by shareholders at the 2025 AGM, or 16 October 2025, whichever is earlier.

Transfer of Shares

There are no specific restrictions on the size of holding or on the transfer of Shares. The Directors are not aware of any agreements between holders of Shares that may result in restrictions on the transfer of securities or voting rights. The Directors have no current plans to issue Shares other than in connection with employee share plans.

Voting

Each Share carries one vote at general meetings of the Company. Any Shares held in treasury have no voting rights. A shareholder entitled to attend, speak and vote at a general meeting may exercise their right to vote in person, by proxy, or, in relation to corporate members, by corporate representatives. To be valid, notification of the appointment of a proxy must be received not less than 48 hours before the relevant general meeting at which the person named in the Form of Proxy proposes to vote. The Directors may in their discretion determine that, in calculating the 48-hour period, no account be taken of any part of a day which is not a working day. Employees who participate in the SIP whose Shares remain in the Burberry Group plc SIP Trust (SIP Trust) may give directions to the trustees to vote on their behalf by way of a Form of Direction.

Dividend

In order to improve the balance sheet and the capacity to invest in Burberry's long-term growth the Directors have not declared a final dividend for FY 2024/25 (FY 2023/24: 42.7p).

An interim dividend was not recommended for FY 2024/25 (FY 2023/24: 18.3p). No dividends have been paid in respect of the year to 29 March 2025 (FY 2023/24: £218 million).

The Burberry Group plc ESOP Trust has waived all dividends and future dividends payable by the Company in respect of the Burberry Shares it holds until the Company is notified otherwise. In addition, the SIP Trust has waived all dividends payable by the Company during FY 2024/25 in respect of unappropriated Shares it holds.

Revenue and profit

Revenue from continuing business during the year amounted to £2,461 million (FY 2023/24: £2,968 million). The adjusted operating profit for the year was £26 million (FY 2023/24: £418 million).

The loss for the year attributable to equity holders of the Company was £75 million (FY 2023/24: profit of £270 million), a year-on-year decrease of 128% predominantly related to a 17% reduction in revenue and a 520 bps reduction in gross margin, which gave rise to a 94% reduction in adjusted operating profit. An adjusting items charge of £29 million resulted in a 101% reduction in operating loss/profit and an increase in the effective tax rate driven by reduced profitability resulted in a 117% reduction in loss before taxation.

Financial instruments and risks

The Group's financial risk management objectives and policies are set out within note 26 of the Financial Statements. Note 26 also details the Group's exposure to foreign exchange, share price, interest, credit, capital and liquidity risks. This note is incorporated by reference and deemed to form part of this report.

Going concern and viability

The going concern statements for the Group and the Company are set out on pages 178 to 179 and 224 of the Financial Statements and are incorporated by reference and shall be deemed to be part of this report. The Directors' assessment of the prospects and viability of the Group over the next three years is set out in the Strategic Report on pages 100 and 101. The Risk and Viability Report can be found on pages 90 to 101.

The Directors considered it appropriate to adopt the going concern basis of accounting when preparing the Financial Statements.

Significant contracts – change of control

Pursuant to the Companies Act 2006, the Directors disclose that, in the event of a change of control, the Company's borrowings under the Group's currently undrawn £300 million Revolving Credit Facility, dated 26 July 2021, could become repayable.

The Company's borrowings under the Group's currently undrawn £75 million Revolving Credit Facility, dated 21 March 2025, could become repayable.

On 3 April 2017, Burberry entered into an exclusive licensing agreement with Coty pursuant to which Coty develops, manufactures, markets, distributes and sells Burberry Beauty products. The agreement took effect in October 2017, from which time ongoing royalty payments have been payable to Burberry. Pursuant to the Companies Act 2006, the Directors disclose that a change in control of Burberry will, in limited circumstances, result in Coty having a right of termination of the licence agreement.

A small number of leases contain certain rights that may entitle landlords to terminate or approve continuation of the leases in the event that a Burberry subsidiary is transferred out of the Group or there is a change of control of Burberry Group plc. These are not considered to be significant in terms of the potential impact on the business as a whole.

There are no arrangements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs specifically because of a takeover, merger or amalgamation. There are provisions in the Company's share plans which could result in options or awards vesting or becoming exercisable on a change of control. For further information on the change of control provisions in the Company's share plans, refer to the Directors' Remuneration Policy, which was approved by shareholders at the AGM on 12 July 2023. This is set out in full in the Directors' Remuneration Report in the Annual Report 2022/23 on Burberryplc.com.

Independent auditor

In accordance with section 418(2) of the Companies Act 2006, each of the Company's Directors in office at the date of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's external auditor is unaware; and
- the Director has taken all appropriate steps to ensure they are aware of any relevant audit information, and to establish that the Company's external auditor is aware of that information.

The Group's current external auditor is EY and note 7 of the Financial Statements states its fees both for audit and non-audit work. EY was appointed as the external auditor of the Company at the 2020 AGM following an independent audit tender. A resolution to reappoint EY as external auditor to the Company for FY 2025/26 will be proposed at the 2025 AGM. The Independent Auditor's Report starting on page 163 sets out the information contained in the Annual Report which has been audited by EY as the external auditor.

Employee share plans and share ownership

The Company is committed to employee share ownership with two all-employee share plans available to employees at all levels of the organisation. Further details of these share plans are set out in the Directors' Remuneration Report on page 141. The Group intends to operate these all-employee share plans during FY 2025/26 to grant awards of free Burberry Shares (or equivalent cash-based awards as appropriate) to all eligible employees globally, and to invite eligible employees, where possible, to participate in the ShareSave scheme. The Directors review the operation of these plans to ensure that they effectively support the Group's strategy and encourage greater alignment by employees with the Group's performance. Details of employee share plans are set out in note 27 to the Financial Statements.

Employee engagement

Burberry is an open and inclusive employer that strives to open spaces for our people so they can express their creativity and grow both personally and professionally. Our colleagues represent 129 nationalities across 32 countries and territories and we are proud of the diversity of our people and the rich variety of skills and experiences they bring to our brand from the many cultures and backgrounds they represent. We continue to focus on evolving strategies for attracting and retaining diverse top talent within the business that promote our cultural values and ensure diverse representation across the business.

Further details about our people and our commitment to diversity, equity and inclusion can be found on pages 72 to 76. Pages 43 to 45 demonstrate how the Directors have had regard to employee interests and the principal decisions taken by the Company during the financial year.

Stakeholder engagement

Reflecting the importance of our stakeholders, an explanation of the steps taken by the Directors to foster business relationships with partners, including suppliers, customers and other stakeholders, is set out on pages 44 and 45.

Global GHG emissions

The Directors understand they have a responsibility to consider the impact on the environment and the likely consequences of any business decisions in the long term. Disclosure is in line with the FCA's requirements for climate-related financial disclosures and consistent with the TCFD recommendations as set out on pages 47 to 71.

Health and safety

The Company has a global Health and Safety Policy approved by the CEO on behalf of the Board. A safety-first approach is firmly embedded in Burberry's values and this approach was strongly reinforced and measured across all our operational activities. Governance of our Health and Safety strategy is maintained through a Global Health and Safety Committee, which is chaired by the General Counsel. Health and safety issues are also considered by the Risk Committee and Audit Committee. Each region has a local health and safety committee which reports to the regional President. These committees assist with the implementation of our Health and Safety strategy and help to ensure all local regulatory and Burberry standards are achieved and maintained.

Strategic direction on health and safety matters is provided by the Director of Health and Safety who is supported by a global team. In line with industry best practice, our health and safety goals and objectives are set each year to continually analyse our performance and support a process for continuous improvement.

Our unannounced global assurance audit programme continues to measure health and safety performance within our managed operations at a set frequency and tracks improvement actions and risk reduction strategies through to closure.

Political donations

The Company did not make any political donations during the year in line with its policy (FY 2023/24: £nil). In keeping with the Group's approach in prior years, shareholder approval is being sought at the forthcoming AGM, as a precautionary measure, for the Company and its subsidiaries to make donations and/or incur expenditure which may be construed as political by the wider definition of that term included in the relevant legislation. Further details are provided in the Notice of Annual General Meeting (the Notice).

Directors

The names and biographical details of the Directors as at the date of this report are set out on pages 104 to 108 and are incorporated by reference into this report. With regard to the appointment and resignation of Directors, the Company follows the Code, and is governed by its Articles of Association, the Companies Act 2006 and related legislation. At the 2025 AGM, all Directors, with the exception of Antoine de Saint-Affrique, Fabiola Arredondo and Sam Fischer, will stand for election or re-election as appropriate. The Notice sets out the contributions and reasons for the election or re-election of each Director. The service agreements of the Executive Directors and the letters of appointment of the Non-Executive Directors are available for inspection at the Company's registered office on request. Brief details of these are also included on page 152 of the Directors' Remuneration Report. For information on the Directors' training, see page 120.

Directors' Share interests

The interests in Shares of the Directors holding office as at 29 March 2025 are shown within the Directors' Remuneration Report on pages 136 to 157. There were no changes to the beneficial interests of the Directors between the period 29 March 2025 and 13 May 2025.

Directors' powers and responsibilities

Subject to the Company's Articles of Association, the Companies Act 2006 and any directions given by special resolution, the business of the Group will be managed by the Board, which may exercise all the powers of the Group, including powers relating to the issue and/or buying back of Shares by the Group (subject to any statutory restrictions or restrictions imposed by shareholders at the AGM).

Directors' insurance and indemnities

The Company maintains Directors' and Officers' liability insurance, which gives cover for legal actions brought against its Directors and Officers. In accordance with section 236 of the Companies Act 2006, qualifying third-party indemnity provisions are in place for the Directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. Both the insurance and indemnities applied throughout the financial year ended 29 March 2025, and through to the date of this report.

Branches

In accordance with the Companies Act 2006, the Group discloses below the subsidiary companies that have branches outside the UK:

- Burberry Limited: Hong Kong S.A.R., China and Republic of Korea
- Burberry Brasil Comércio de Artigos de Vestuário e Acessórios Ltda: Brazil
- Burberry Saudi Company Limited: Kingdom of Saudi Arabia
- Burberry Qatar W.L.L.: Qatar
- Burberry (Spain) Retail S.L.: Portugal
- Burberry (Shanghai) Trading Co., Ltd: Mainland China

Annual General Meeting (AGM)

The AGM of the Company will be held at 10:30am on Wednesday 16 July 2025 at Horseferry House, Horseferry Road, London SW1P 2AW. The Notice of this year's AGM is available to view on the Company's website at Burberryplc.com.

The Directors consider that each of the proposed resolutions to be considered at the AGM is in the best interests of the Company and its shareholders, and is most likely to promote the success of the Company for the benefit of its shareholders as a whole. The Directors unanimously recommend that shareholders vote in favour of each of the proposed resolutions, as the Directors intend to do in respect of their own shareholdings.

Amendments to Articles of Association

The Company's Articles of Association were adopted at the 2021 AGM. No changes to the Articles of Association are being proposed at this year's AGM.

Disclosures pursuant to UK Listing Rule 6.6.1

UK Listing Rule	Description of UK Listing Rule	Reference
6.6.1 (3)	Details of any long-term incentive schemes as required by UKLR 9.3.3R	See pages 145 to 147
6.6.1 (11) and (12)	Waivers of dividends	See Dividend paragraph on page 159

The Strategic Report from pages 2 to 101 and Directors' Report from pages 158 to 161 have been approved by the Board on 13 May 2025 in accordance with the Companies Act 2006.

By order of the Board

Gemma Parsons
Company Secretary

13 May 2025

Burberry Group plc

Registered Office: Horseferry House, Horseferry Road, London SW1P 2AW

Registered in England and Wales
Registered number: 03458224

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report, the Directors' Remuneration Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group consolidated financial statements in accordance with the UK-adopted International Accounting Standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework' and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group and the Company for that year. In preparing these financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted International Accounting Standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company financial statements, subject to any material departures disclosed and explained in the Group and parent Company financial statements respectively;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors consider that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group and the Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed on pages 104 to 108, confirm that, to the best of their knowledge:

- the Company financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law), give a true and fair view of the assets, liabilities, financial position and profit of the Company;
- the Group financial statements, which have been prepared in accordance with the UK-adopted International Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and the Company, together with a description of the principal risks and uncertainties that it faces.

These statements were approved by the Board on 13 May 2025 and signed on its behalf by:

Joshua Schulman
Chief Executive Officer

Kate Ferry
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BURBERRY GROUP PLC

Opinion

In our opinion:

- Burberry Group plc's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 29 March 2025 and of the Group's loss for the 52-week period then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Burberry Group plc (the 'Company') and its subsidiaries (the 'Group') for the 52-week period ended 29 March 2025 which comprise:

Group	Company
Balance sheet as at 29 March 2025	Balance sheet as at 29 March 2025
Income statement for the 52-week period then ended	Statement of changes in equity for the 52-week period then ended
Statement of comprehensive income for the 52-week period then ended	Related notes A to M to the financial statements, including a summary of material accounting policies
Statement of changes in equity for the 52-week period then ended	
Statement of cash flows for the 52-week period then ended	
Related notes 1 to 31 to the financial statements, including a summary of material accounting policies	

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Company and we remain independent of the Group and the Company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and Company's ability to continue to adopt the going concern basis of accounting included:

- In conjunction with our walkthrough of the Group's financial statement close process, we confirmed our understanding of management's going concern assessment process and engaged with management early to understand and assess the key assumptions made in their assessment;
- We checked the logic and arithmetical integrity of management's going concern model that includes the cash forecasts for the going concern assessment period covering the period up to 26 September 2026;
- We considered the appropriateness of the revenue and operating expense assumptions used to calculate the cash forecasts under the base case and severe but plausible case scenarios. In light of the current geopolitical environment and uncertain global consumer demand, we specifically challenged management's plausible downside case scenario to assess if it was sufficiently severe for the going concern assessment;
- We reviewed the Group's debt agreements for any conditions precedent outside of management's control and also reviewed forecast compliance with covenant requirements in both the base and severe but plausible downside case scenarios during the going concern assessment period;
- We agreed the 29 March 2025 cash and cash equivalents balance included in the going concern assessment to the Group's year end cash and cash equivalents balance;
- We reviewed the borrowings of the Group and noted that management include the repayment of the sustainability bond in all scenarios as the bond is repayable within the going concern period;
- We assessed the reasonableness of the cashflow forecasts included in the going concern assessment by analysing management's historical forecasting accuracy and for consistency of the going concern assessment with information obtained from other areas of the audit such as goodwill impairment, retail store impairment and deferred tax asset recognition;
- We evaluated the key assumptions by searching for contrary evidence to challenge these assumptions, including third party sector forecasts and analyst expectations. Further, we tested these assumptions for consistency with the budget approved by the Board;
- We challenged the measurement and completeness of the severe but plausible scenario modelled by management, whether the risks considered are sufficiently severe, and how these compare with the principal risks and uncertainties of the Group;
- We considered the mitigating factors available and that are within control of the Group. This included review of the Group's operating and non-operating cash outflows and evaluating the Group's ability to control these outflows as mitigating actions if required;
- We performed a review of management's reverse stress test to identify the magnitude of decline in revenue that would lead to the Group utilising all liquidity during the going concern assessment period and we have considered the likelihood of such a decline;
- We reviewed activity in the subsequent events period to assess for contrary indicators;
- We reviewed the Group and Company's going concern disclosures included in the Annual Report to assess that the disclosures are consistent with the basis upon which the Board have concluded, and in conformity with the reporting standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Company's ability to continue as a going concern for a period up to 26 September 2026.

In relation to the Group and Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and Company's ability to continue as a going concern.

Overview of our audit approach

Audit scope	• We performed an audit of the complete financial information of four components and audit procedures on specific balances for a further five components. We performed central procedures on financial statement line items as detailed in the 'Tailoring the scope' section below.
Key audit matters	• Valuation of finished goods inventory provision. • Impairment and impairment reversals of retail store right-of-use assets and related property, plant and equipment. • Provision for uncertain tax positions.
Materiality	• Overall Group materiality of £18.2m which represents 0.74% of Revenue.

An overview of the scope of the Company and Group audits

Tailoring the scope

In the current year our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures.

When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, changes at specific components, macroeconomic and geopolitical factors, the applicable financial reporting framework, the Group's system of internal control at the entity level, the existence of centralised processes, applications, any relevant internal audit results and the potential impact of climate change.

We determined that centralised audit procedures would be performed on revenue, cost of sales, finance income and expenses, goodwill included within intangible assets with indefinite lives, right-of-use assets and lease liabilities, impairment and impairment reversal of right-of-use assets and related property, plant and equipment, deferred tax assets, derivative financial assets and liabilities, inventory provision, cash and cash equivalents, borrowings, provision for uncertain tax positions and income tax.

We then identified nine components as individually relevant to the Group due to relevant events and conditions underlying the identified risks of material misstatement of the Group financial statements being associated with the reporting components or a pervasive risk of material misstatement of the Group financial statements, or a significant risk or an area of higher assessed risk of material misstatement of the Group financial statements being associated with the components. We also considered the materiality or financial size of the component relative to the Group.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the Group significant accounts on which centralised procedures would be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the Group significant financial statement account balance.

We then considered whether the remaining Group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the Group financial statements. We determined that no additional components of the Group were required to be included.

Having identified the components for which work would be performed, we determined the scope to assign to each component.

Of the nine components selected, we designed and performed audit procedures on the entire financial information of four components ("full scope components"). For five components, we designed and performed audit procedures on specific significant financial statement account balances or disclosures of the financial information of the component ("specific scope components").

Our scoping to address the risk of material misstatement for each key audit matter is set out in the key audit matters section of our report.

Changes from the prior year

We have changed the specific scope components from prior year to include a component in Italy to increase the coverage of the Group audit.

Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the group audit engagement team, or by component auditors operating under our instruction.

The group audit team continued to follow a programme of planned visits that has been designed to ensure that the Senior Statutory Auditor visits, virtually or in person, at least all individually relevant component teams each year. During the current year’s audit cycle, virtual visits were undertaken by the primary audit team to the component teams in China, Hong Kong S.A.R., China, Korea and Japan. The Senior Statutory Auditor also performed an in person visit to the United States of America business. The Senior Statutory Auditor did not visit the component team in Italy, as all work performed for this individually relevant component is performed by the group audit team.

These visits involved holding meetings with local management, discussing the year-end audit procedures to be performed by the component teams, communicating the procedures that would be performed centrally in the UK by the group audit team, reviewing relevant working papers and discussing any issues that had arisen.

The group audit team interacted regularly with the component teams where appropriate during various stages of the audit, reviewed relevant working papers and were responsible for the scope and direction of the audit process. Where relevant, the section on key audit matters details the level of involvement we had with component auditors to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole.

This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

Climate Change

Stakeholders are increasingly interested in how climate change will impact the Group. The Group has determined that the most significant future impacts from climate change on their operations will be from climate transition risks, specifically market risks associated with changing consumer preferences in a lower carbon economy. These are explained on pages 47 to 71 in the required Task Force On Climate Related Financial Disclosures and on pages 94 to 99 in the principal risks and uncertainties. Climate commitments for the Group are also explained on pages 55 to 57. All of these disclosures form part of the “Other information,” rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on “Other information”.

In planning and performing our audit we assessed the potential impacts of climate change on the Group’s business and any consequential material impact on its financial statements.

The Group has explained in note 1 (Consideration of climate-related matters) how they have reflected the impact of climate change in their financial statements, including how this aligns with their commitments in the sustainability strategy. There are no significant judgements or estimates relating to climate change.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management’s assessment of the impact of climate risk, physical and transition, their climate commitments, specifically on the valuation of the finished goods inventory provision and impairment of retail store right-of-use assets and related property, plant and equipment. We have assessed whether these risks have been appropriately reflected in asset values, where values are determined through modelling future cash flows, following the requirements of UK-adopted International Accounting Standards. As part of this evaluation, we performed our own risk assessment, supported by our climate change internal specialists and senior members of the audit team, held meetings with the Group’s Sustainability, Financial Reporting and Supply Chain teams, to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the Directors’ considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work, whilst we have not identified the impact of climate change on the financial statements to be a standalone key audit matter, we have considered the impact on the following key audit matters: valuation of finished goods inventory provision, impairment and impairment reversals of retail store right-of-use assets and related property, plant and equipment. Details of the impact, our procedures and findings are included in our explanation of key audit matters below.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk
Valuation of finished goods inventory provision As described in the Report of the Audit Committee (page 128); Accounting Policies (page 181); and note 17 of the Consolidated Financial Statements (page 200) management raises a finished goods inventory provision to reflect where the expected net realisable value is lower than the carrying value of finished goods inventory at the balance sheet date. The Group has £103m of inventory provisions, representing 19.6% of the gross value of inventory of £527m as at 29 March 2025. Of the net inventory of £424m, £397m relates to finished goods. The Group determines the inventory provision considering the aging of inventory by season, identifying problem inventory and considering historical loss rates, future sales forecasts and the expected channel by which the inventory will be exited. This process is inherently judgmental and there is therefore potential for management bias in relation to its allocation of inventory to certain sales channels as well as in relation to future sales forecasts.	• Performed a walkthrough of inventory provisioning process and identified and understood the design of key controls. • Evaluated the appropriateness of the Group’s inventory provisioning policy. We assessed the inventory provision model for each relevant component for consistency with the Group’s accounting policy. • Tested the integrity and accuracy of the inventory provisioning models and inputs, considering the source of information being used by management. • Applied professional scepticism, and in light of the current geopolitical environment and uncertain global consumer demand, we performed sensitivity analysis on management’s expected sell through and loss rates of inventory. • Used inventory movement data for the current year and analysed it to consider the inventory composition by season and product type. We used this data to develop an expectation and challenged management on any outliers identified. • Understood the planned sales channels and exit routes for surplus inventory and challenged whether these were consistent with prior periods, the overall sales profile of the Group and the Board-approved forecasts used elsewhere across the Group. We considered whether there was any evidence of management bias in the exit routes and sales forecasts used. • Performed analytical procedures on key assumptions and corroborated to our work performed across other accounts to identify and consider whether any contrary evidence existed. • Used data to corroborate explanations from management and to identify any contrary evidence related to the assumptions used by management in identifying slow-moving inventory. We performed sensitivity analysis to assess the significance and risk of changed assumptions on the provision, primarily being the sell through, exit route and loss rates applied. This included considering the potential impact climate change may have on inventory provisioning. • Reviewed disclosures in the financial statements for appropriateness including the requirement to disclose sensitivities where a reasonably possible change in a key assumption would result in a material change to the valuation of finished goods inventory provision.

Key observations communicated to the Audit Committee

We are satisfied the finished goods inventory provisions are appropriate and the Group’s disclosures are appropriate.

How we scoped our audit to respond to the risk and involvement with component teams

All audit work performed to address this risk was undertaken by the group audit team and supported by overseas professionals.

Key audit matters continued

Risk	Our response to the risk

Impairment and impairment reversals of retail store right-of-use assets and related property, plant and equipment
As described in the Report of the Audit Committee Report (page 128), Accounting Policies (page 181), and notes 13 and 14 of the Consolidated Financial Statements (pages 197 to 198), management assess the retail store right-of-use assets and related property, plant and equipment for impairment charges and reversals of previous impairment charges. The Group has £867m of right-of-use assets and £398m of property, plant and equipment as at 29 March 2025.
In the 52 weeks to 29 March 2025, there was a net impairment charge of £42m.
There is judgement and estimation uncertainty involved in determining the store forecast cash flows to measure impairment charges and reversals, in particular, the revenue growth and profit margin assumptions in light of the current geopolitical environment and uncertain global consumer demand.
	• Performed a walkthrough of the retail store impairment process and understood the design of key controls.
	• Reviewed and challenged the appropriateness of the Group's impairment policy.
	• Reviewed board minutes and met with regional commercial finance teams, strategy teams and general counsel to determine if any contrary evidence existed in relation to the future plans for stores.
	• Management considered whether indicators of impairment charges or reversals were present for the Group's retail store portfolio based on the Group's latest forecast. We assessed the completeness of the factors considered and assessed the accuracy of the forecasted information in conjunction with our testing of the Group's forecasts further outlined below.
	• For the stores identified with indicators of impairment charge or reversal, the Group prepared value-in-use impairment models. Our procedures over the value-in-use impairment models included:
	  • Assessed the methodology against the requirements of IAS 36 Impairment of Assets;
	  • Tested the integrity of the model and data inputs used back to source data, for example agreeing store right-of-use asset and related property, plant and equipment values back to accounting records;
	  • Involved our valuations specialists to assess the appropriateness of the discount rates used;
	  • Challenged assumptions used in cash flow forecasts such as revenue growth and gross margin assumptions against historical results, third-party luxury sector forecasts and latest analyst reports;
	  • Performed sensitivity analysis on key assumptions and stress testing calculations for stores most at risk of impairment;
	  • Challenged whether cash flow forecasts adequately factored in known costs associated with physical and transition climate-related risks and any cashflows required to meet Burberry's publicly stated climate commitments; and
	  • Assessed the disclosures in the financial statements, including the requirement to disclose sensitivities where a reasonably possible change in a key assumption would result in a material change to the impairment charge or reversal recorded.

Key observations communicated to the Audit Committee

We are satisfied that the consideration of indicators of impairment, methodology, significant underlying assumptions and judgements are reasonable and support management's conclusion to a net impairment charge during the year.

We are also satisfied with the disclosure and classification of the impairment charges.

How we scoped our audit to respond to the risk and involvement with component teams

All audit work performed to address this risk was undertaken by the group audit team and supported by overseas professionals.

Key audit matters continued

Risk	Our response to the risk
Provision for uncertain tax positions As described in the Report of the Audit Committee (page 128), Accounting Policies (page 181), and note 9 of the Consolidated Financial Statements (pages 193 to 194), the Group is subject to tax regulation in multiple jurisdictions and the centralised operating structure of the Group requires management to exercise judgement in making determinations as to the amount of tax that is payable. The Group is subject to tax authority audits and has a number of open tax enquiries in multiple jurisdictions at any point in time. As a result, the Group has recognised a number of provisions against uncertain tax positions, the valuation of which requires significant assumptions and judgement. The Group has recognised provisions of £107m in respect of uncertain tax positions as at 29 March 2025. We focused on this area due to the complexity, subjectivity, quantification of the provision and the judgement around the trigger for recognition or release impacting the provision and the effective tax rate.	• Performed a walkthrough of the tax provisioning process and understood the design of key controls. • We evaluated the appropriateness of the Group's transfer pricing and uncertain tax provisioning policies, having met with tax management to understand the Group's cross-border transactions, status of all significant matters, including those provided for, and any changes to management's judgements in the year; • Read correspondence with tax authorities, tax opinions and external advisors to inform our assessment of recorded estimates and evaluate the completeness of the provisions recorded, including direct engagement with external advisors where appropriate. For the most material case, we met external advisors to understand the key judgements in the case, and utilised relevant internal specialists. We also requested, received, and reviewed a letter directly obtained from management's external legal counsel; • Independently assessed management's significant assumptions and judgements to record or release provisions following tax audits, settlements and the expiry of statute of limitations; • Tested the accuracy of the calculation of the year end provisions by inspecting underlying documentation and supporting schedules; and • Evaluated the adequacy of tax disclosures in the financial statements, including the requirement to disclose sensitivities where a reasonably possible change in a key assumption would result in a material change to the provision for uncertain tax positions.

Key observations communicated to the Audit Committee

We are satisfied that management's judgements in relation to the extent of provisions for uncertain tax positions are appropriate. We are also satisfied that the tax disclosures are appropriate.

How we scoped our audit to respond to the risk and involvement with component teams

All audit work performed to address this risk was undertaken by the group audit team and supported by overseas professionals and specialists.

There have been no changes to the Key Audit Matters compared to the prior financial year.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £18.2 million (2024: £19.2 million), which is 0.74% of revenue (2024: 5% of profit before tax). In the current trading environment, there has been a loss before tax and this measure would have resulted in a materiality below expectations of the users of the financial statements. We therefore considered other performance metrics that are most relevant to the users of the financial statements and determined revenue to be the most appropriate basis.

We determined materiality for the Company to be £25.6 million (2024: £22.3 million), which is 1% (2024: 1%) of total assets. For any Company balances that are consolidated into the Group financial statements, an allocation of Group performance materiality was used.

During the course of our audit, we reassessed initial materiality based on forecasts provided by management. Our final assessment reflected the actual reported performance for the period.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2024: 75%) of our planning materiality, namely £13.7m (2024: £14.4m). We have set performance materiality at this percentage due to our assessment of the Group's overall control environment and the likelihood of undetected misstatements.

Audit work was undertaken at component locations for the purpose of responding to the assessed risk of material misstatement of the Group financial statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was £2.7m to £11.6m (2024: £3m to £13m).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.9m (2024: £1.0m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report set out on pages 2 to 161, including the Strategic Report and Corporate Governance Statement, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate Governance Statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 159;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 100;
- Director's statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 101;
- Directors' statement on fair, balanced and understandable set out on page 162;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 133;
- The section of the annual report that describes the review of the effectiveness of risk management and internal control systems set out on page 133; and
- The section describing the work of the Audit Committee set out on pages 128 to 135.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 162, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (UK adopted International Accounting Standards, UK GAAP, the Companies Act 2006 and the UK Corporate Governance Code) and the relevant tax laws and regulations in the jurisdictions in which the Group operates. In addition, we concluded that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements, being the Listing Rules of the UK Listing Authority, and those laws and regulations relating to health and safety, employees, environmental, social and anti-bribery and corruption practices.
- We understood how the Group is complying with those frameworks by making enquiries of management, including internal audit, those responsible for legal and compliance procedures, and the Company Secretary. We corroborated our enquiries through our review of Board minutes and papers provided to the Audit Committee, and observation in Audit Committee meetings, as well as consideration of the results of our audit procedures across the Group.

- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with finance and operational management from various parts of the business to understand where it considered there was susceptibility to fraud. We also considered performance targets and their potential to influence management to manage earnings. We have determined there is a risk of fraud associated to a risk of management override of controls over manual revenue journals. We obtained an understanding of the related party transactions and significant transactions occurring with related parties in the year. We considered the policies, processes and controls that the Group has established to address the risks identified, including the design of controls over each significant revenue stream. We also considered the controls that the Group has that otherwise prevent, deter and detect fraud, and how senior management monitors these controls. We performed audit procedures to address each identified fraud risk. These procedures were designed to provide reasonable assurance that the financial statements as a whole are free from material misstatement due to fraud or error.
- Based on this understanding, we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved providing specific instructions to full and specific scope component teams and, where necessary, using relevant specialists. Our procedures included journal entry testing, with a focus on manual journal entries, consolidation journal entries and journal entries indicating large or unusual transactions using data analytics. We based this testing on our understanding of the business, enquiries of management, including internal audit, legal and other advisors, the company secretary and reading relevant reports. We have also reviewed the whistleblowing reports issued during the year. Any instances of non-compliance with laws and regulations identified that might have an impact on components were communicated to the component audit teams and considered in our audit approach, if applicable.
- In addition, we completed procedures to conclude on the compliance of the disclosures in the Annual Report and Accounts with all applicable requirements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the Audit Committee, we were appointed by the Company at its Annual General Meeting on 15 July 2020 to audit the financial statements for the Company for the period ending 27 March 2021, and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is five years, covering the periods ended 27 March 2021 to 29 March 2025.
- The audit opinion is consistent with the additional report to the Audit Committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Rudberg (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
London

13 May 2025

GROUP INCOME STATEMENT

52 weeks ended 29 March 2025

	Note	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Revenue	3	2,461	2,968
Cost of sales		(923)	(959)
Gross profit		1,538	2,009
Operating expenses		(1,564)	(1,604)
Other operating income		23	13
Net operating expenses	4	(1,541)	(1,591)
Operating (loss)/profit		(3)	418
Financing			
Finance income		25	31
Finance expense		(88)	(66)
Net finance expense	8	(63)	(35)
(Loss)/profit before taxation	5	(66)	383
Taxation	9	(9)	(112)
(Loss)/profit for the year		(75)	271
Attributable to:			
Owners of the Company		(75)	270
Non-controlling interest		–	1
(Loss)/profit for the year		(75)	271
(Loss)/earnings per share			
Basic	10	(20.9)p	74.1p
Diluted	10	(20.9)p	73.9p

		£m	£m
Reconciliation of adjusted profit before taxation:			
(Loss)/profit before taxation		(66)	383
Adjusting operating items:			
Net operating expenses	6	29	–
Adjusted (loss)/profit before taxation – non-GAAP measure		(37)	383
Adjusted (loss)/earnings per share – non-GAAP measure			
Basic	10	(14.8)p	74.1p
Diluted	10	(14.8)p	73.9p

Dividends per share			
Interim	11	–	18.3p
Proposed final (not recognised as a liability at 29 March/30 March)	11	–	42.7p

GROUP STATEMENT OF COMPREHENSIVE INCOME

52 weeks ended 29 March 2025

	Note	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
(Loss)/profit for the year		(75)	271
Other comprehensive (loss)/income[1]:			
Cash flow hedges	24	1	(3)
Foreign currency translation differences	24	(25)	(34)
Tax on other comprehensive income		–	1
Other comprehensive loss for the year, net of tax		(24)	(36)
Total comprehensive (loss)/income for the year		(99)	235
Total comprehensive (loss)/income attributable to:			
Owners of the Company		(99)	234
Non-controlling interest		–	1
		(99)	235

1. All items included in other comprehensive income may subsequently be reclassified to profit and loss in a future period.

GROUP BALANCE SHEET

52 weeks ended 29 March 2025

	Note	As at 29 March 2025 £m	As at 30 March 2024 £m
ASSETS			
Non-current assets			
Intangible assets	12	**229**	267
Property, plant and equipment	13	**398**	406
Right-of-use assets	14	**867**	1,013
Deferred tax assets	15	**233**	208
Trade and other receivables	16	**48**	52
		1,775	1,946
Current assets			
Inventories	17	**424**	507
Trade and other receivables	16	**309**	340
Derivative financial assets	18	**11**	2
Income tax receivables		**95**	122
Cash and cash equivalents	19	**813**	441
Assets held for sale	13	**–**	12
		1,652	1,424
Total assets		**3,427**	3,370
LIABILITIES			
Non-current liabilities			
Trade and other payables	20	**(54)**	(63)
Lease liabilities	21	**(866)**	(959)
Borrowings	23	**(438)**	(299)
Deferred tax liabilities	15	**(1)**	(1)
Derivative financial liabilities	18	**(3)**	–
Provisions for other liabilities and charges	22	**(33)**	(37)
		(1,395)	(1,359)
Current liabilities			
Trade and other payables	20	**(405)**	(439)
Bank overdrafts	23	**(105)**	(79)
Lease liabilities	21	**(215)**	(229)
Borrowings	23	**(300)**	–
Derivative financial liabilities	18	**(1)**	(4)
Income tax liabilities		**(58)**	(86)
Provisions for other liabilities and charges	22	**(27)**	(20)
		(1,111)	(857)
Total liabilities		**(2,506)**	(2,216)
Net assets		**921**	1,154
EQUITY			
Capital and reserves attributable to owners of the Company			
Ordinary share capital	24	**–**	–
Share premium account		**231**	231
Capital reserve	24	**41**	41
Hedging reserve	24	**3**	2
Foreign currency translation reserve	24	**173**	198
Retained earnings		**466**	675
Equity attributable to owners of the Company		**914**	1,147
Non-controlling interest in equity		**7**	7
Total equity		**921**	1,154

The consolidated financial statements of Burberry Group plc (registered number 03458224) on pages 162 to 217 were approved and authorised for issue by the Board on 13 May 2025 and signed on its behalf by:

Joshua Schulman
Chief Executive Officer

Kate Ferry
Chief Financial Officer

GROUP STATEMENT OF CHANGES IN EQUITY

52 weeks ended 29 March 2025

		Attributable to owners of the Company						
	Note	Ordinary share capital £m	Share premium account £m	Other reserves £m	Retained earnings £m	Total £m	Non-controlling interest £m	Total equity £m
Balance as at 1 April 2023		–	230	277	1,026	1,533	6	1,539
Profit for the year		–	–	–	270	270	1	271
Other comprehensive income:								
Cash flow hedges	24	–	–	(3)	–	(3)	–	(3)
Foreign currency translation differences	24	–	–	(34)	–	(34)	–	(34)
Tax on other comprehensive income		–	–	1	–	1	–	1
Total comprehensive income for the year		–	–	(36)	270	234	1	235
Transactions with owners:								
Employee share incentive schemes								
Equity share awards		–	–	–	16	16	–	16
Tax on share awards		–	–	–	(2)	(2)	–	(2)
Exercise of share options		–	1	–	–	1	–	1
Purchase of own shares								
Share buyback		–	–	–	(402)	(402)	–	(402)
Dividends paid in the year		–	–	–	(233)	(233)	–	(233)
Balance as at 30 March 2024		**–**	**231**	**241**	**675**	**1,147**	**7**	**1,154**
Loss for the year		–	–	–	(75)	(75)	–	(75)
Other comprehensive income:								
Cash flow hedges	24	–	–	1	–	1	–	1
Foreign currency translation differences	24	–	–	(25)	–	(25)	–	(25)
Total comprehensive loss for the year		–	–	(24)	(75)	(99)	–	(99)
Transactions with owners:								
Employee share incentive schemes								
Equity share awards		–	–	–	18	18	–	18
Dividends paid in the year		–	–	–	(152)	(152)	–	(152)
Balance as at 29 March 2025		**–**	**231**	**217**	**466**	**914**	**7**	**921**

GROUP STATEMENT OF CASH FLOWS

52 weeks ended 29 March 2025

	Note	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Cash flows from operating activities			
(Loss)/profit before tax		**(66)**	383
Adjustments to reconcile profit before tax to net cash flows:			
Amortisation of intangible assets	12	**54**	42
Depreciation of property, plant and equipment	13	**112**	103
Depreciation of right-of-use assets	14	**247**	234
Impairment charge of intangible assets	12	**4**	–
Impairment charge of property, plant and equipment	13	**10**	5
Impairment charge of right-of-use assets	14	**32**	9
Loss on disposal of intangible assets		**–**	3
Gain on modification of right-of-use assets		**(15)**	(4)
(Gain)/loss on derivative instruments		**(8)**	5
Charge in respect of employee share incentive schemes		**18**	16
Net finance expense		**63**	35
Working capital changes:			
Decrease/(increase) in inventories		**80**	(57)
Decrease/(increase) in receivables		**36**	(32)
Decrease in payables and provisions		**(41)**	(77)
Cash generated from operating activities		**526**	665
Interest received		**21**	32
Interest paid		**(75)**	(52)
Taxation paid		**(43)**	(139)
Net cash generated from operating activities		**429**	506
Cash flows from investing activities			
Purchase of property, plant and equipment		**(122)**	(158)
Purchase of intangible assets		**(29)**	(50)
Proceeds from sale of property, plant and equipment		**12**	–
Initial direct costs of right-of-use assets		**1**	(4)
Proceeds from termination of lease		**11**	–
Payment in respect of acquisition of subsidiary		**–**	(19)
Net cash outflow from investing activities		**(127)**	(231)
Cash flows from financing activities			
Dividends paid in the year	11	**(152)**	(233)
Proceeds from borrowings	23	**439**	–
Payment of deferred consideration for acquisition of non-controlling interest	20	**(2)**	–
Payment of lease principal	21	**(232)**	(231)
Payment on termination of lease	21	**(5)**	–
Issue of ordinary share capital		**–**	1
Purchase of own shares through share buyback	24	**–**	(400)
Purchase of own shares through share buyback – stamp duty and fees	24	**–**	(2)
Net cash inflow/(outflow) from financing activities		**48**	(865)
Net increase/(decrease) in cash net of overdrafts		**350**	(590)
Effect of exchange rate changes		**(4)**	(9)
Cash net of overdrafts at beginning of year		**362**	961
Cash net of overdrafts		**708**	362

	Note	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Cash and cash equivalents	19	**813**	441
Bank overdrafts	23	**(105)**	(79)
Cash net of overdrafts		**708**	362

1. Basis of preparation

Burberry Group plc and its subsidiaries (the Group) is a global luxury goods manufacturer, retailer and wholesaler. The Group also licenses third parties to manufacture and distribute products using the 'Burberry' trademarks. All of the companies which comprise the Group are controlled by Burberry Group plc (the Company) directly or indirectly.

The consolidated financial statements of the Group have been prepared in accordance with the requirements of the Companies Act 2006 and UK-adopted International Accounting Standards (IFRS). These consolidated financial statements have been prepared under the historical cost convention, except as modified by the revaluation of certain financial assets and financial liabilities at fair value.

The consolidated financial statements are presented in £m. Financial ratios are calculated using unrounded numbers.

Consideration of climate-related matters

The Group has performed a climate-related scenario analysis as required by the Task Force on Climate-related Financial Disclosures. This scenario analysis takes into consideration different climate-related scenarios, including a 2°C or lower scenario. Based on this scenario analysis, consideration has been given to the impact of climate-related risks on management's judgements and estimates, including inventory provisions and the impairment of property, plant and equipment and right-of-use assets.

The incurred costs and investments associated with our sustainability strategy are reflected in the Group's financial statements, including within inventories, property, plant and equipment, and operating profit.

The impact of climate-related risks on the consolidated financial statements for the 52 weeks to 29 March 2025 is not material (last year: not material). This is due to the time horizons in which physical risks are expected to be most significant not aligning to the useful lives of our assets and the investments we continue to make to mitigate market and policy risks.

The committed future financial investments associated with our sustainability strategy are included within our budget and three-year forward-looking financial plans. These financial plans have been used to support our impairment reviews and going concern and viability assessment. Future plans may incur additional investment on research and development, higher expenditure on raw materials and other as yet unidentified costs.

Going concern

In considering the appropriateness of adopting the going concern basis in preparing the financial statements, the Directors have assessed the potential cash generation of the Group. This assessment covers the period of a minimum of 12 months from the date of signing the financial statements. The Directors have also considered the forecast for the period up to 26 September 2026, for indicators that the going concern basis of preparation is not appropriate.

The scenarios considered by the Directors include a severe but plausible downside scenario reflecting the Group's base plan adjusted for severe but plausible impacts from the Group's principal risks. This central planning scenario is informed by a comprehensive review of the macroeconomic scenarios using third-party projections of macroeconomic data for the luxury fashion industry which reflects the current uncertain outlook. The Group's central planning scenario reflects a balanced projection with a continued focus to stabilise the business and position the brand for profitable sustainable growth.

As a sensitivity, this central planning scenario has been stressed to reflect the aggregation of severe impacts arising linked to our principal risks which in total represents a 20% downgrade to revenues in the 18-month period to 26 September 2026 as well as the associated consequences for EBITDA and cash. Management considers that this represents a severe but plausible downside scenario appropriate for assessing going concern.

The severe but plausible downside modelled the following risks occurring simultaneously:

- A more severe and prolonged reduction in the GDP growth assumptions across the markets in which we operate combined with a reduction to our global consumer demand arising from a change in consumer preference compared to our central planning scenario
- An increase in geopolitical tension which leads to incremental unmitigated tariff risks compared to the central planning scenario
- A significant reputational incident such as negative sentiment propagated through social media
- The impact of a business interruption event, resulting in a two-week interruption arising from the supply chain impact, and interruption to one of our channels
- The occurrence of a one-time physical risk relating to climate change in FY 2026/27 and the materialisation of a severe but plausible ongoing market risk relating to climate change in line with a scenario reflecting a 2°C global temperature increase compared to pre-industrial levels
- The payment of a settlement arising from a regulatory or compliance-related matter
- The impact of not delivering the anticipated cost savings from the Burberry Forward transformation programme
- A short-term impact of a 10% weakening in a key non-sterling currency for the Group before it is recovered through price adjustment

1. Basis of preparation continued

Going concern continued

Further mitigating actions within management control would be taken under each scenario, including working capital reduction measures and limiting capital expenditure and/or variable marketing costs.

The Directors have also considered the Group's current liquidity and available facilities. As at 29 March 2025, the Group Balance Sheet reflects cash net of overdrafts of £708 million. In addition, the Group has access to a £300 million revolving credit facility (£300 million RCF) which matures in November 2027, and a £75 million revolving credit facility (£75 million RCF) which matures in March 2027 which are currently undrawn. The £300 million sustainability bond matures within the going concern period on 21 September 2025. The Group's central planning scenario includes the repayment of the £300 million sustainability bond with existing cash and drawing the £75 million RCF. The going concern assessment does not rely upon either the £75 million or £300 million RCFs and instead assumes mitigating actions within management control would be taken.

Details of cash, overdrafts, borrowings and facilities are set out in notes 19 and 23 respectively of these financial statements.

In all the scenarios assessed, taking into account liquidity and available resources, the Group is able to maintain sufficient liquidity to continue trading throughout the going concern period up to 26 September 2026. On the basis of the assessment performed, the Directors consider it is appropriate to continue to adopt the going concern basis in preparing the consolidated financial statements for the 52 weeks ended 29 March 2025.

New standards, amendments and interpretations adopted in the period

A number of amendments to standards are effective for the 52 weeks to 29 March 2025, but they do not have a material impact on the financial statements of the Group.

Standards not yet adopted

Certain new accounting standards and amendments to standards have been published that are not yet mandatory for the 52 weeks to 29 March 2025 and have not been early adopted by the Group. The Group is assessing the impact of these standards on the financial statements and the results will be communicated in future periods, including the impact from Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7, which is effective for the reporting period beginning 29 March 2026, and may have an impact on the Group. The Group does expect a material impact from IFRS 18 Presentation and Disclosure in Financial Statements in the Group's primary financial statements. IFRS 18, which is effective for the reporting period beginning on 28 March 2027, subject to UK endorsement, replaces IAS 1 Presentation of Financial Statements.

Basis of consolidation

The Group's annual financial statements comprise those of Burberry Group plc (the Company) and its subsidiaries, presented as a single economic entity. The results of the subsidiaries are prepared for the same reporting year as the Company, using consistent accounting policies across the Group.

The financial year is the 52 weeks ended 29 March 2025 (last year: 52 weeks ended 30 March 2024).

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the portion of the reporting period during which the Group had control. Intra-group transactions, balances and unrealised profits on transactions between Group companies are eliminated in preparing the Group financial statements. The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For acquisitions of additional interests in subsidiaries from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of interests in subsidiaries to non-controlling interests are also recorded in equity.

Key sources of estimation uncertainty

Preparation of the consolidated financial statements in conformity with IFRS requires that management make certain estimates and assumptions that affect the measurement of reported revenues, expenses, assets and liabilities and the disclosure of contingent liabilities.

If in the future such estimates and assumptions, which are based on management's best estimates at the date of the financial statements, deviate from actual circumstances, the original estimates and assumptions will be updated as appropriate in the period in which the circumstances change.

1. Basis of preparation continued

Key sources of estimation uncertainty continued

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas where the estimates and assumptions applied have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are discussed below. Further details of the Group's accounting policies in relation to these areas are provided in note 2.

Impairment, or reversals of impairment, of property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are reviewed for impairment or reversals of impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations prepared using management's best estimates and assumptions at the time. Refer to notes 13 and 14 for further details of retail property, plant and equipment, right-of-use assets and impairment reviews carried out in the period and for sensitivities relating to this key source of estimation uncertainty.

Inventory provisioning

The Group purchases, manufactures and sells luxury goods and is subject to changing consumer demands and fashion trends. The recoverability of the cost of inventories is assessed every reporting period, by considering the expected net realisable value of inventory compared to its carrying value. Where the net realisable value is lower than the carrying value, a provision is recorded. When calculating inventory provisions, management considers the nature and condition of the inventory, as well as applying assumptions in respect of anticipated saleability of finished goods and future usage of raw materials. Refer to note 17 for further details of the carrying value of inventory and inventory provisions and for sensitivities relating to this key source of estimation uncertainty.

Uncertain tax positions

In common with many multinational companies, the Group faces tax audits in jurisdictions around the world in relation to intra-group transactions between associated entities within the Group. These tax audits are often subject to inter-government negotiations. The matters under discussion are often complex and can take many years to resolve.

Tax liabilities are recorded based on management's estimate of either the most likely amount or the expected value amount depending on which method is expected to better reflect the resolution of the uncertainty. Given the inherent uncertainty in assessing tax outcomes, the Group could, in future periods, experience adjustments to these uncertain tax positions that have a material positive or negative effect on the Group's results for a particular period.

Refer to note 9 for further details of management estimates surrounding the outcome of all matters under dispute or negotiation between governments in relation to current tax liabilities recognised at 29 March 2025, and for sensitivities relating to this key source of estimation uncertainty.

Key judgements in applying the Group's accounting policies

Judgements are those decisions made when applying accounting policies which have a significant impact on the amounts recognised in the Group financial statements. Further details of the Group's accounting policies are provided in note 2. Key judgements that have a significant impact on the amounts recognised in the Group financial statements for the 52 weeks to 29 March 2025 and the 52 weeks to 30 March 2024 are as follows:

Where the Group is a lessee, judgement is required in determining the lease term at initial recognition, and throughout the lease term, where extension or termination options exist. In such instances, all facts and circumstances that may create an economic incentive to exercise an extension option, or not exercise a termination option, have been considered to determine the lease term. Considerations include, but are not limited to, the period assessed by management when approving initial investment, together with costs associated with any termination options or extension options. Extension periods (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Where the lease term has been extended by assuming an extension option will be recognised, this will result in the initial right-of-use assets and lease liabilities at inception of the lease being greater than if the option was not assumed to be exercised. Likewise, assuming a break option will be exercised will reduce the initial right-of-use assets and lease liabilities.

Refer to note 21 for further details surrounding the judgements regarding the impact of breaks and options on lease liabilities.

2. Accounting policies

The material accounting policies of the Group are:

a) Revenue

The Group obtains revenue from contracts relating to sales of luxury goods to retail and wholesale customers. The Group also obtains revenue through licences issued to third parties to produce and sell goods carrying 'Burberry' trademarks. Retail purchases are paid at time of purchase while wholesale and licensing purchases are paid on short-term credit terms. Revenue is stated excluding Value Added Tax and other sales-related taxes.

Retail and wholesale revenue

For retail and wholesale revenue, the primary performance obligation is the transfer of luxury goods to the customer. For retail revenue this is considered to occur when control of the goods passes to the customer. For in-store retail revenue, control transfers when the customer takes possession of the goods in store and pays for the goods. For digital retail revenue, control is considered to transfer when the goods are delivered to the customer. The timing of transfer of control of the goods in wholesale transactions depends upon the terms of trade in the contract. Principally for wholesale revenue, revenue is recognised either when goods are collected by the customer from the Group's premises, or when the Group has delivered the goods to the location specified in the contract. Provision for returns and other allowances are reflected in revenue when revenue from the customer is first recognised. A sales return liability and a corresponding return asset within gross inventory are recognised. Retail customers typically have the right to return product within a limited time frame while wholesale customers typically have the right to return damaged and, under agreement, certain current season products. Returns are initially estimated based on historical levels and adjusted subsequently as returns are incurred.

Some wholesale contracts may require the Group to make payments to the wholesale customer for services directly relating to the sale of the Group's goods, such as the cost of staff handling the Group's goods at the wholesaler. Payments to the customer directly relating to the sale of goods to the customer are recognised as a reduction in revenue, unless in exchange for a distinct good or service. These charges are recognised in revenue at the later of when the sale of the related goods to the customer is recognised or when the customer is paid, or promised to be paid, for the service. Payments to the customer relating to a service which is distinct from the sale of goods to the customer are recognised in operating costs.

The Group sells gift cards and similar products to customers, which can be redeemed for goods, up to the value of the card, at a future date. Revenue relating to gift cards is recognised when the card is redeemed, up to the value of the redemption. Unredeemed amounts on gift cards are classified as contract liabilities. Typically, the Group does not expect to have significant unredeemed amounts arising on its gift cards.

Licensing revenue

The Group's licences entitle the licensee to access the Group's trademarks over the term of the licence. Hence revenue from licensing is recognised over the term of access to the licence. Royalties receivable under licence agreements are usually based on production or sales volumes and are accrued in revenue as the subsequent production or sale occurs. Any amounts received which have not been recognised in revenue are classified as contract liabilities.

b) Segment reporting

As required by IFRS 8 Operating Segments, the segmental information presented in the financial statements is reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance, has been identified as the Board of Directors.

The Group has centralised activities for designing, making and sourcing, which ensure a global product offering is sold through retail and wholesale channels worldwide. Resource allocation and performance is assessed across the whole of the retail/wholesale channel globally. Hence the retail/wholesale channel has been determined to be an operating segment.

Licensed products are manufactured and sold by third-party licensees. As a result, this channel is assessed discretely by the Chief Operating Decision Maker and has been determined to be an operating segment.

The Group presents an analysis of its revenue by channel, by product division and by geographical destination.

c) Business combinations

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities assumed at the date of exchange. Contingent payments are subsequently remeasured at fair value through the Income Statement. All transaction costs are expensed to the Income Statement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. Non-controlling interests in subsidiaries are identified separately from the Group's equity, and are initially measured either at fair value or at a value equal to the non-controlling interests' share of the identifiable net assets acquired. The choice of the basis of measurement is an accounting policy choice for each individual business combination. The excess of the cost of acquisition together with the value of any non-controlling interest over the fair value of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the Income Statement.

2. Accounting policies continued

d) Share schemes

The Group operates a number of equity-settled share-based compensation schemes under which services are received from employees (including Executive Directors) as consideration for equity instruments of the Company. The cost of the share-based incentives is measured with reference to the fair value of the equity instruments awarded at the date of grant, including share awards and options. Appropriate option pricing models, including Black-Scholes, are used to determine the fair value of the option awards made. The fair value takes into account the impact of any market performance conditions, but the impact of non-market performance conditions is not considered in determining the fair value on the date of grant. Vesting conditions which relate to non-market conditions are allowed for in the assumptions used for the number of share awards or options expected to vest. The estimate of the number of share awards or options expected to vest is revised at each balance sheet date.

In some circumstances, employees may provide services in advance of the grant date. The grant date fair value is estimated for the purposes of recognising the expense during the period between the service commencement period and the grant date.

The cost of the share-based incentives is recognised as an expense over the vesting period of the share awards, or options, with a corresponding credit in equity.

When share awards or options are exercised, they are settled either via issue of new shares in the Company, or through shares held in an Employee Share Option Plan trust or The Burberry Group plc SIP Trust (collectively known as the ESOP trusts), depending on the terms and conditions of the relevant scheme. For new shares issued, the proceeds received from the exercise of share options, net of any directly attributable transaction costs, are credited to share capital and share premium accounts. When ESOP shares are used, any difference between the exercise price and their cost is recognised in retained earnings.

e) Leases

The Group is a lessee of property, plant and equipment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. An identified asset may be specifically or implicitly specified. Control exists when the lessee has both the right to direct the use of the identified asset and the right to obtain substantially all of the economic benefits from that use.

Lessee accounting

The Group's principal lease arrangements where the Group acts as the lessee are for property, most notably the lease of retail stores, corporate offices and warehouses. Other leases are for advertising fixtures, office equipment, vehicles, and supply chain equipment. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The Group recognises all lease liabilities and the corresponding right-of-use assets on the Balance Sheet, with the exception of certain short-term leases (12 months or less) and leases of low value assets, which are expensed as incurred. Leases and the corresponding right-of-use assets are initially recognised when the Group obtains control of the underlying asset. Leases for new assets are presented as additions to lease liabilities and right-of-use assets.

Lease liabilities are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any incentives
- Variable lease payments that are based on a future index or rate
- Amounts expected to be payable by the lessee under residual value guarantees

Where the lease contains an extension option or a termination option which is exercisable by the Group, as lessee, an assessment is made as to whether the Group is reasonably certain to exercise the extension option, or not exercise the termination option, considering all relevant facts and circumstances that create an economic incentive. Considerations may include the contractual terms and conditions for the optional periods compared to market rates, costs associated with the termination of the lease and the importance of the underlying asset to the Group's operations.

Variable lease payments dependent upon a future index or rate are measured using the amounts payable at the commencement date until the index or rate is known. Variable lease payments not dependent on an index or rate, including lease payments based on a percentage of turnover, are excluded from the calculation of lease liabilities.

Payments are discounted at the incremental borrowing rate of the lessee, unless the interest rate implicit in the lease can be readily determined.

Right-of-use assets are classified as property or non-property. The Group has elected not to apply the short-term exemption to the property class of right-of-use assets. Where the exemption is applied to the non-property class of right-of-use assets, lease payments are expensed as incurred. The low value asset exemption has been applied to the non-property class of assets where applicable.

2. Accounting policies continued

e) Leases continued

Lessee accounting continued

In circumstances where the Group is in possession of a property but there is no executed agreement or other binding obligation in relation to the property, rent is expensed until such time the obligation becomes binding, at which point, a right-of-use asset and lease liability will be recognised prospectively. These lease costs are disclosed as lease in holdover expenses. Refer to notes 5 and 21.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date less any lease incentives received and
- Any initial direct costs incurred in entering into the lease

The Group recognises depreciation of right-of-use assets and interest on lease liabilities in the Income Statement over the lease term. Repayments of lease liabilities are classified separately in the Statement of Cash Flows where the cash payments for the principal portion of the lease liability are presented within financing activities, and cash payments for the interest portion are presented within operating activities. Payments in relation to variable lease payments based on turnover, short-term leases and leases of low value assets which are not included on the Balance Sheet are included within operating expenses.

Modifications to lease agreements, extensions to existing lease agreements and changes to future lease payments relating to existing terms in the contract, including market rent reassessments and index-based changes, are presented as remeasurements of the lease liabilities. The related right-of-use asset is also remeasured. If the modification results in a reduction in scope of the lease, either through shortening the lease term or through disposing of part of the underlying asset, a gain or loss on disposal may arise relating to the difference between the lease liabilities and the right-of-use asset applicable to the reduction in scope.

Right-of-use assets are included in the review for impairment of property, plant and equipment and intangible assets with finite economic lives, if there is an indication that the carrying amount of the cash generating unit may not be recoverable.

f) Dividend distributions

Dividend distributions to Burberry Group plc's shareholders are recognised as a liability in the period in which the dividend becomes a committed obligation. Final dividends are recognised when they are approved by the shareholders. Interim dividends are recognised when paid.

g) Pension costs

Eligible employees participate in defined contribution pension schemes, the principal one being in the UK with its assets held in an independently administered fund. The cost of providing these benefits to participating employees is recognised in the Income Statement as they fall due and comprises the amount of contributions from the Group to the schemes.

h) Intangible assets

Goodwill

Goodwill is the excess of the cost of acquisition together with the value of any non-controlling interest, over the fair value of identifiable net assets acquired. Goodwill on acquisition is recorded as an intangible asset. Fair values are attributed to the identifiable assets, liabilities and contingent liabilities that existed at the date of acquisition, reflecting their condition at that date. Adjustments are also made to align the accounting policies of acquired businesses with those of the Group.

Goodwill is assigned an indefinite useful life. Impairment reviews are performed annually, or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable. Impairment losses recognised on goodwill are not reversed in future periods.

Trademarks, licences and other intangible assets

The cost of securing and renewing trademarks and licences, and the cost of acquiring other intangible assets, is capitalised at purchase price, or fair value if acquired through a business combination, and amortised by equal annual instalments over the period in which benefits are expected to accrue, typically 10 years for trademarks, or the term of the licence. The useful life of trademarks and other intangible assets is determined on a case-by-case basis, in accordance with the terms of the underlying agreement and the nature of the asset.

Computer software

Computer software costs are capitalised during the development phase at the point at which there is sufficient certainty that the software will deliver future economic benefits to the Group. The cost of acquiring computer software (including licences and separately identifiable development costs) is capitalised as an intangible asset at purchase price, plus any directly attributable cost of preparing that asset for its intended use. Software costs are amortised on a straight-line basis over their estimated useful lives, which may be up to seven years.

2. Accounting policies continued

i) Property, plant and equipment

Property, plant and equipment, with the exception of assets in the course of construction, is stated at cost or deemed cost based on historical revalued amounts prior to the adoption of IFRS, less accumulated depreciation and provision to reflect any impairment in value. Assets in the course of construction are stated at cost less any provision for impairment and transferred to completed assets when substantially all of the activities necessary for the asset to be ready for use have occurred. Cost includes the original purchase price of the asset and costs attributable to bringing the asset to its working condition for its intended use.

Depreciation

Depreciation of property, plant and equipment is calculated to write off the cost or deemed cost, less residual value, of the assets in equal annual instalments over their estimated useful lives at the following rates:

Type of asset	Category of property, plant and equipment	Useful life
Land	Freehold land and buildings	Not depreciated
Freehold buildings	Freehold land and buildings	Up to 50 years
Leasehold improvements	Leasehold improvements	Over the unexpired term of the lease
Plant and machinery	Fixtures, fittings and equipment	Up to 15 years
Retail fixtures and fittings	Fixtures, fittings and equipment	Up to 5 years
Office fixtures and fittings	Fixtures, fittings and equipment	Up to 5 years
Computer equipment	Fixtures, fittings and equipment	Up to 7 years
Assets in the course of construction	Assets in the course of construction	Not depreciated

Profit/loss on disposal of property, plant and equipment and intangible assets

Profits and losses on the disposal of property, plant and equipment and intangible assets represent the difference between the net proceeds and net book value at the date of sale or disposal. Disposals are accounted for when the relevant transaction becomes unconditional.

j) Assets held for sale

Non-current assets are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continued use, and a sale within the next 12 months is considered to be highly probable. Assets classified as held for sale cease to be depreciated and they are stated at the lower of carrying amount and fair value less costs to sell.

k) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets under construction are also tested annually. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstance indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, retail assets are grouped at the lowest levels for which there are separately identifiable cash inflows, being individual stores (cash generating units), and goodwill assets are considered at the lowest level being monitored by management. Non-financial assets, other than goodwill, for which an impairment has been previously recognised are reviewed for possible reversal of impairment at each reporting date.

l) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost consists of all costs of purchase, costs of conversion, design costs and other costs incurred in bringing the inventories to their first point of sale location and condition. The cost of inventories is determined using a weighted average cost method, taking account of the fashion seasons for which the inventory was offered. Where necessary, provision is made to reduce cost to no more than net realisable value having regard to the nature and condition of inventory, as well as its anticipated utilisation and saleability.

2. Accounting policies continued

m) Taxation

Tax expense represents the sum of the current tax expense and the deferred tax charge.

Current tax is based on taxable profit for the year. Taxable profit differs from profit or loss as reported in the Income Statement because it excludes items of income or expense which are taxable or deductible in other years and it further excludes items which are never taxable or deductible. The Group's liability for current tax is calculated using tax rates which have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised, using the liabilities method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the temporary difference arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences, no deferred tax will be recognised. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entities or different taxable entities where there is an intention to settle the balances on a net basis.

n) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and where the amount of the obligation can be reliably estimated. When the effect of the time value of money is material, provision amounts are calculated based on the present value of the expenditures expected to be required to settle the obligation. The present value is calculated using forward market interest rates as measured at the balance sheet reporting date, which have been adjusted for risks specific to the future obligation.

Property obligations

A provision for the present value of future property reinstatement costs is recognised where there is an obligation to return the leased property to its original condition at the end of a lease term. The reinstatement cost at the end of a lease usually arises due to leasehold improvements and modifications carried out by the Group in order to customise the property during tenure of the lease. As a result, the cost of the reinstatement provision is recognised as a component of the cost of the leasehold improvements in property, plant and equipment when these are installed and amortised to the Income Statement over the expected life of the lease.

o) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, is deducted from retained earnings. Where such shares are subsequently cancelled, a transfer is made from retained earnings to the capital reserve, equivalent to the nominal value of the shares purchased and subsequently cancelled. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is credited to retained earnings up to the value of the consideration originally paid. Any additional consideration received is credited to the share premium account included in equity attributable to owners of the Company.

2. Accounting policies continued

p) Financial instruments

Financial instruments are initially recognised at fair value plus directly attributable transaction costs on the Balance Sheet when the entity becomes a party to the contractual provisions of the instrument. A financial asset is derecognised when the contractual rights to the cash flow expire or substantially all risks and rewards of the asset are transferred. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

At initial recognition, all financial liabilities are stated at fair value. Subsequent to initial recognition, all financial liabilities are stated at amortised cost using the effective interest rate method except for derivatives which are held at fair value and which are classified as fair value through profit and loss, except where they qualify for hedge accounting. Financial assets are classified as either amortised cost or fair value through profit and loss depending on their cash flow characteristics. Assets with cash flows that solely represent payments of principal and interest are measured at amortised cost. The fair value of the Group's financial assets and liabilities held at amortised cost mostly approximate their carrying amount due to the short maturity of these instruments. Where the fair value of any financial asset or liability held at amortised cost is materially different to the book value, the fair value is disclosed.

The Group classifies its instruments in the following categories:

Financial instrument category	Note	Classification	Measurement	Fair value measurement hierarchy[2]
Cash and cash equivalents	19	Amortised cost	Amortised cost	N/A
Cash and cash equivalents	19	Fair value through profit and loss	Fair value through profit and loss	2
Trade and other receivables	16	Amortised cost	Amortised cost	N/A
Trade and other payables	20	Other financial liabilities	Amortised cost	N/A
Borrowings	23	Other financial liabilities	Amortised cost	N/A
Leases	21	Lease liabilities	Amortised cost	N/A
Deferred consideration	20	Fair value through profit and loss	Fair value through profit and loss	3
Derivative contracts	18	Fair value through profit and loss	Fair value through profit and loss	2
Derivative contracts used for hedging[1]	18	Fair value – hedging instrument	Fair value – hedging instrument[3]	2

1. Cash flow hedge and net investment hedge accounting is applied to the extent it is achievable.
2. The fair value measurement hierarchy is only applicable for financial instruments measured at fair value.
3. Derivative contracts used for hedging are classified as Fair value – hedging instruments under IFRS 9, however IAS 39 hedge accounting has been applied.

The measurements for financial instruments carried at fair value are categorised into different levels in the fair value hierarchy based on the inputs to the valuation technique used. The different levels are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: includes unobservable inputs for the asset or liability.

Observable inputs are those which are developed using market data, such as publicly available information about actual events or transactions. The Group has an established framework with respect to measurement of fair values, including Level 3 fair values. The Group regularly reviews any significant inputs which are not derived from observable market data and considers, where available, relevant third-party information, to support the conclusion that such valuations meet the requirements of IFRS. The classification level in the fair value hierarchy is also considered periodically.

The fair value of those cash and cash equivalents measured at fair value through profit and loss, principally money market funds, is derived from their net asset value which is based on the value of the portfolio investment holdings at the balance sheet date. This is considered to be a Level 2 measurement.

The fair value of derivative contracts and trade and other receivables, principally cash-settled equity swaps, is based on a comparison of the contractual and market rates and, in the case of other derivative contracts, after discounting using the appropriate yield curve as at the balance sheet date. All Level 2 fair value measurements are calculated using inputs which are based on observable market data.

The fair value of the contingent payment component of deferred consideration is considered to be a Level 3 measurement and is derived using a present value calculation, incorporating observable and non-observable inputs. This valuation technique has been adopted as it most closely mirrors the contractual arrangement.

2. Accounting policies continued

p) Financial instruments continued

The Group's primary categories of financial instruments are listed below:

Cash and cash equivalents

Cash and short-term deposits on the Balance Sheet comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. In the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts, which are recorded under current liabilities on the Balance Sheet.

While cash at bank and in hand is classified as amortised cost, some short-term deposits are classified as fair value through profit and loss.

Cash and cash equivalents held at amortised cost are subject to impairment testing at each period end.

Trade and other receivables

Trade and other receivables are included in current assets, except for maturities greater than 12 months after the balance sheet date. Most receivables are held with the objective to collect the contractual cash flows and are therefore initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for the expected credit losses on trade receivables is established at inception. Expected credit loss rates are calculated by reviewing lifetime expected credit losses using historic and forward-looking data. The amount of the movement in the provision is recognised in the Income Statement.

Trade and other payables

Trade and other payables are included in current liabilities, except for maturities greater than 12 months after the balance sheet date. Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and the difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings.

Deferred consideration

Deferred consideration is initially recognised at the present value of the expected future payments. It is subsequently remeasured at fair value at each reporting period with the change in fair value relating to changes in expected future payments recorded in the Income Statement as an operating expense or income. Changes in fair value relating to unwinding of discounting to present value are recorded as a financing expense.

Derivative instruments

The Group uses derivative financial instruments to hedge its exposure to fluctuations in foreign exchange and interest rates arising on certain operating and financing transactions.

Derivatives instruments are initially recognised at fair value at the trade date and are remeasured at their fair value at subsequent balance sheet dates. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Where derivatives do not qualify for hedge accounting any gains or losses on remeasurement are recognised in the Income Statement as an operating expense or income.

On adoption of IFRS 9, the Group elected to continue to apply the hedge accounting guidance in IAS 39 Financial Instruments: Recognition and Measurement.

Fair value hedge accounting

Derivative instruments are classified as fair value hedges when they hedge the Group's exposure to changes in the fair value of a recognised asset or liability. Changes in fair value of the derivative instrument are recognised as part of the carrying value of the derivative instrument and in the Income Statement. Changes in fair value of the hedged item attributable to the hedged risk are recognised as part of the carrying value of the hedged item and in the Income Statement

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item is amortised to the Income Statement over the remaining period to maturity.

2. Accounting policies continued

p) Financial instruments continued

Derivative instruments continued

Cash flow hedge accounting

Derivative instruments are classified as cash flow hedges when they hedge the Group's exposure to changes in cash flows that are attributable to particular risk associated with a recognised asset or liability, an unrecognised firm commitment or a highly probable forecast transaction.

The effective portion of changes in the fair value relating to derivative instruments that are designated and qualify as cash flow hedges is deferred in other comprehensive income. The gain or loss relating to the ineffective portion of the gain or loss is recognised immediately in the Income Statement. Amounts deferred in other comprehensive income are recycled through the Income Statement in the periods when the hedged item affects the Income Statement. When a hedging instrument expires or is sold, the hedge relationship is terminated or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at the time remains in other comprehensive income and is recognised when the forecast transaction is ultimately recognised in the Income Statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Income Statement.

q) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in sterling which is the Company's functional and the Group's presentation currency.

Transactions in foreign currencies

Transactions denominated in foreign currencies within each entity in the Group are translated into the functional currency at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are held at the year end, are translated into the functional currency at the exchange rate ruling at the balance sheet date (closing rate). Exchange differences on monetary items are recognised in the Income Statement in the period in which they arise, except where these exchange differences form part of a net investment in overseas subsidiaries of the Group, in which case such differences are recognised in other comprehensive income.

Translation of the results of overseas businesses

The results of overseas subsidiaries are translated into the Group's presentation currency of sterling each month at the average exchange rate for the month, weighted according to the phasing of the Group's trading results. The average exchange rate is used, as it is considered to approximate the actual exchange rates on the date of the transactions. The assets and liabilities of such undertakings are translated at the closing rates. Differences arising on the retranslation of the opening net investment in subsidiary companies, and on the translation of their results, are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

The principal exchange rates used were as follows:

	Average rate		Closing rate	
	52 weeks to 29 March 2025	52 weeks to 30 March 2024	**As at 29 March 2025**	As at 30 March 2024
Euro	**1.19**	1.16	**1.20**	1.17
US Dollar	**1.28**	1.26	**1.29**	1.26
Chinese Yuan Renminbi	**9.21**	9.01	**9.40**	9.13
Hong Kong Dollar	**9.98**	9.84	**10.07**	9.89
South Korean Won	**1,781**	1,657	**1,903**	1,702
Japanese Yen	**194**	182	**194**	191

r) Adjusted profit before taxation

In order to provide additional understanding of the underlying performance of the Group's ongoing business, the Group's results include a presentation of adjusted operating profit and adjusted profit before taxation (adjusted PBT). Adjusted PBT is defined as profit before taxation and before adjusting items. Adjusting items are those items which, in the opinion of the Directors, should be excluded in order to provide a consistent and comparable view of the performance of the Group's ongoing business. Generally, this will include those items that are largely one-off and/or material in nature, such as restructuring charges, as well as income or expenses relating to acquisitions or disposals of businesses or other transactions of a similar nature, including the impact of changes in fair value of expected future payments or receipts relating to these transactions. Adjusting items are identified and presented on a consistent basis each year and a reconciliation of adjusted PBT to profit before taxation is included in the financial statements. Adjusting items and their related tax impacts, as well as adjusting taxation items, are added back to/deducted from profit attributable to owners of the Company to arrive at adjusted earnings per share. Refer to note 6 for further details on adjusting items and note 10 for details on adjusted earnings per share.

3. Segmental analysis

The Chief Operating Decision Maker has been identified as the Board of Directors. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on the reports used by the Board. The Board considers the Group's business through its two channels to market, being retail/wholesale and licensing.

Retail/wholesale revenues are generated by the sale of luxury goods through Burberry full price stores, concessions, outlets and digital commerce as well as Burberry franchisees, prestige department stores globally and multi-brand speciality accounts. The flow of global product between retail and wholesale channels and across our regions is monitored and optimised at a corporate level and implemented via the Group's inventory hubs and principal distribution centres situated in Europe, the USA, Mainland China and Hong Kong S.A.R., China.

Licensing revenues are generated through the receipt of royalties from global licensees of beauty products and eyewear and from licences relating to the use of non-Burberry trademarks in Japan.

The Board assesses channel performance based on a measure of adjusted operating profit. This measurement basis excludes the effects of adjusting items. The measure of earnings for each operating segment that is reviewed by the Board includes an allocation of corporate and central costs. Interest income and charges are not included in the result for each operating segment that is reviewed by the Board.

	Retail/Wholesale		Licensing		Total	
	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m	**52 weeks to 29 March 2025 £m**	52 weeks to 30 March 2024 £m	**52 weeks to 29 March 2025 £m**	52 weeks to 30 March 2024 £m
Retail	**2,076**	2,400	**–**	–	**2,076**	2,400
Wholesale	**319**	506	**–**	–	**319**	506
Licensing	**–**	–	**67**	63	**67**	63
Total segment revenue	**2,395**	2,906	**67**	63	**2,462**	2,969
Inter-segment revenue[1]	**–**	–	**(1)**	(1)	**(1)**	(1)
Revenue from external customers	**2,395**	2,906	**66**	62	**2,461**	2,968
Depreciation and amortisation[2]	**(413)**	(379)	**–**	–	**(413)**	(379)
Impairment charge of intangible assets	**(4)**	–	**–**	–	**(4)**	–
Impairment charge of property, plant and equipment	**(10)**	(5)	**–**	–	**(10)**	(5)
Impairment charge of right-of-use assets[3]	**(32)**	(9)	**–**	–	**(32)**	(9)
Net movement in inventory provisions	**(44)**	(39)	**–**	–	**(44)**	**(39)**
Other non-cash items:						
Share-based payments	**(18)**	(16)	**–**	–	**(18)**	(16)
Adjusted operating (loss)/profit	**(36)**	359	**62**	59	**26**	418
Adjusting items[4]					**(29)**	–
Operating (loss)/profit					**(3)**	418
Finance income					**25**	31
Finance expense					**(88)**	(66)
(Loss)/profit before taxation					**(66)**	383

1. Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would be available to unrelated third parties.
2. Depreciation of right-of-use assets for the 52 weeks to 29 March 2025 is presented including a charge of £1 million arising as a result of the Group's restructuring programme (last year: £nil), which is presented as an adjusting item (refer to note 6).
3. Impairment charge of right-of-use assets for the 52 weeks to 29 March 2025 is presented including £1 million in relation to non-retail right-of-use assets arising as a result of the Group's restructuring programme (last year: £nil), which is presented as an adjusting item (refer to note 6).
4. Adjusting items relate to the Retail/Wholesale segment. Refer to note 6 for details of adjusting items.

	Retail/Wholesale		Licensing		Total	
	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m	**52 weeks to 29 March 2025 £m**	52 weeks to 30 March 2024 £m	**52 weeks to 29 March 2025 £m**	52 weeks to 30 March 2024 £m
Additions to non-current assets	**217**	399	**–**	–	**217**	399
Total segment assets	**2,164**	2,474	**8**	6	**2,172**	2,480
Goodwill					**114**	119
Cash and cash equivalents					**813**	441
Taxation					**328**	330
Total assets per Balance Sheet					**3,427**	3,370

3. Segmental analysis continued

Additional revenue analysis

All revenue is derived from contracts with customers. The Group derives retail and wholesale revenue from contracts with customers from the transfer of goods and related services at a point in time. Licensing revenue is derived over the period the licence agreement gives the customer access to the Group's trademarks.

Revenue by product	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Accessories	841	1,055
Womenswear	718	860
Menswear	732	842
Childrenswear and other	104	149
Retail/Wholesale	**2,395**	**2,906**
Licensing	**66**	**62**
Total	**2,461**	**2,968**

Revenue by destination	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Asia Pacific	1,043	1,286
EMEIA[1]	842	1,017
Americas	510	603
Retail/Wholesale	**2,395**	**2,906**
Licensing	**66**	**62**
Total	**2,461**	**2,968**

1. EMEIA comprises Europe, Middle East, India and Africa.

Entity-wide disclosures

Revenue derived from external customers in the UK totalled £208 million for the 52 weeks to 29 March 2025 (last year: £295 million).

Revenue derived from external customers in foreign countries totalled £2,253 million for the 52 weeks to 29 March 2025 (last year: £2,673 million). This amount includes £447 million of external revenues derived from customers in the USA (last year: £531 million) and £534 million of external revenues derived from customers in Mainland China (last year: £648 million).

The total of non-current assets, other than financial instruments, and deferred tax assets located in the UK is £458 million (last year: £523 million). The remaining £1,041 million of non-current assets are located in other countries (last year: £1,168 million), with £330 million located in the USA (last year: £352 million) and £173 million located in Mainland China (last year: £200 million).

4. Net operating expenses

	Note	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Other operating income		(23)	(13)
Selling and distribution costs		1,172	1,248
Administrative expenses		363	356
		1,512	1,591
Adjusting operating expenses	6	29	–
		29	–
Net operating expenses		1,541	1,591

5. Profit before taxation

	Note	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Profit before taxation is stated after charging/(crediting):			
Depreciation of property, plant and equipment			
Within cost of sales		2	2
Within selling and distribution costs		93	84
Within administrative expenses		17	17
Depreciation of right-of-use assets			
Within cost of sales		1	1
Within selling and distribution costs[1]		225	214
Within administrative expenses		21	19
Amortisation of intangible assets			
Within selling and distribution costs		1	1
Within administrative expenses		53	41
Net movement in inventory provisions within cost of sales	17	44	39
Loss on disposal of intangible assets		–	3
Gain on modification of right-of-use assets		(15)	(4)
Impairment charge of property, plant and equipment	13	10	5
Impairment charge of right-of-use assets[2]	14	32	9
Impairment charge of intangible assets	12	4	–
Employee costs[3]	27	576	572
Other lease expense			
Property lease variable lease expense	21	92	111
Property lease in holdover expense	21	8	18
Non-property short-term lease expense	21	9	12
Net exchange loss on revaluation of monetary assets and liabilities		16	20
Net gain on derivatives – fair value through profit and loss		(21)	(7)
Receivables impairment charge		2	4

1. Depreciation of right-of-use assets for the 52 weeks to 29 March 2025 is presented including a charge of £1 million arising as a result of the Group's restructuring programme (last year: £nil), which is presented as an adjusting item (refer to note 6).
2. Impairment charge of right-of-use assets for the 52 weeks to 29 March 2025 is presented including £1 million in relation to non-retail right-of-use assets arising as a result of the Group's restructuring programme (last year: £nil), which is presented as an adjusting item (refer to note 6).
3. Employee costs for the 52 weeks to 29 March 2025 are presented including a charge of £16 million arising as a result of the Group's restructuring programme (last year: £nil), which is presented as an adjusting item (refer to note 6).

6. Adjusting items

	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Total adjusting operating items	**29**	–
Tax on adjusting items	**(7)**	–
Total adjusting items (post-tax)	**22**	–

Restructuring costs

During the 52 weeks to 29 March 2025, restructuring costs of £29 million (last year: £nil) were incurred, arising primarily as a result of the Burberry Forward transformation programme initiated during the period and the majority of which is expected to conclude by the end of FY 2025/26. The associated costs, which are recorded within operating expenses, and are largely cash costs, principally related to redundancies of £16 million, consultancy costs of £9 million and other restructuring related costs of £4 million. These costs are presented as an adjusting item, in accordance with the Group's accounting policy, as the anticipated cost of the restructuring programme is considered material and discrete in nature. A related tax credit of £7 million (last year: £nil) has also been recognised in the current year. The cumulative costs, which are largely cash costs, related to the Burberry Forward transformation programme are expected to total £80 million.

7. Auditor remuneration

Fees incurred during the year in relation to audit and non-audit services are analysed below:

	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Audit services in respect of the financial statements of the Company and consolidation	**0.5**	0.5
Audit services in respect of the financial statements of subsidiary companies	**3.0**	2.9
Audit-related assurance services	**0.2**	0.1
Other non-audit-related services	**0.3**	0.2
Total	**4.0**	3.7

8. Financing

	Note	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Finance income – amortised cost		**12**	9
Finance income – fair value through profit and loss		**13**	22
Finance income		**25**	31
Finance expense on lease liabilities	21	**(49)**	(43)
Finance expense on overdrafts		**(7)**	(7)
Interest expense on borrowings		**(25)**	(4)
Other finance expense		**(5)**	(11)
Bank charges		**(2)**	(1)
Finance expense		**(88)**	(66)
Net finance expense		**(63)**	(35)

9. Taxation

Analysis of charge for the year recognised in the Group Income Statement:

	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Current tax		
UK corporation tax		
Current tax on income for the 52 weeks to 29 March 2025 at 25% (last year: 25%)	4	104
Double taxation relief	–	(3)
Adjustments in respect of prior years[1]	(7)	44
	(3)	145
Foreign tax		
Current tax on income for the year	26	26
Adjustments in respect of prior years[1]	15	(35)
	41	(9)
Total current tax	38	136
Deferred tax		
UK deferred tax		
Origination and reversal of temporary differences	(2)	5
Adjustments in respect of prior years[1]	2	(1)
	–	4
Foreign deferred tax		
Origination and reversal of temporary differences	(31)	(28)
Adjustments in respect of prior years[1]	2	–
	(29)	(28)
Total deferred tax	(29)	(24)
Total tax charge on profit	9	112

1. Adjustments in respect of prior years relate mainly to adjustments to estimates of prior period tax liabilities and a net increase in provisions for uncertain tax positions (where in some instances the provision also includes offsetting relief in a different jurisdiction) and tax accruals.

Analysis of charge for the year recognised in other comprehensive income and directly in equity:

	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Current tax		
Recognised in other comprehensive income:		
Current tax credit on exchange differences on loans (foreign currency translation reserve)	–	(1)
Total current tax recognised in other comprehensive income	–	(1)
Deferred tax		
Recognised in equity:		
Deferred tax charge on share options (retained earnings)	–	2
Total deferred tax recognised directly in equity	–	2

9. Taxation continued

The tax rate applicable on profit varied from the standard rate of corporation tax in the UK due to the following factors:

	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
(Loss)/profit before taxation	(66)	383
Tax at 25% (last year: 25%) on profit before taxation	(16)	97
Rate adjustments relating to overseas profits	(1)	–
Permanent differences	8	3
Current year tax losses not recognised	6	3
Prior year temporary differences and tax losses recognised	–	1
Adjustments in respect of prior years	12	8
Total taxation charge	9	112

Total taxation recognised in the Group Income Statement arises on the following items:

	Note	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Tax on adjusted (loss)/profit before taxation		16	112
Tax on adjusting items	6	(7)	–
Total taxation charge		9	112

Factors affecting future tax charges

Uncertain tax positions

The Group operates in numerous tax jurisdictions around the world and is subject to factors that may affect future tax charges including transfer pricing, tax rate changes, tax legislation changes, tax authority interpretation, expiry of statutes of limitation, tax litigation, and resolution of tax audits and disputes.

At any given time, the Group has open years outstanding in various countries and is involved in tax audits and disputes, some of which may take several years to resolve. Provisions are based on best estimates and management's judgements concerning the likely ultimate outcome of any audit or dispute. Management considers the specific circumstances of each tax position and takes external advice, where appropriate, to assess the range of potential outcomes and estimate additional tax that may be due.

At 29 March 2025 the Group recognised provisions of £107 million in respect of uncertain tax positions (last year: £91 million), being provisions of £128 million net of expected reimbursements of £21 million (last year: £131 million net of expected reimbursements of £40 million). The majority of these provisions relate to the tax impact of intra-group transactions between the UK and the various jurisdictions in which the Group operates, as would be expected for a group operating internationally.

The Group believes that it has made adequate provision in respect of additional tax liabilities that may arise from open years, tax audits and disputes. However, the actual liability for any particular issue may be higher or lower than the amount provided, resulting in a negative or positive effect on the tax charge in any given year. A reduction in the tax charge may also arise for other reasons such as an expiry of the relevant statute of limitations. Depending on the final outcome of tax audits which are currently in progress, statute of limitations expiry, and other factors, an impact on the tax charge could arise. The tax impact of intra-group transactions is a complex area and resolution of matters can take many years. Given the inherent uncertainty, it is difficult to predict the timing of when these matters will be resolved and the quantum of the ultimate resolution. Management estimate that the outcome across all matters under dispute or in negotiation between governments could be in the range of a decrease of £38 million, to an increase of £83 million, in the uncertain tax position over the next 12 months.

Legislative changes

The OECD Pillar Two GloBE Rules introduce a global minimum corporate tax rate of 15% applicable to multinational enterprise groups with global revenue over €750 million. All participating OECD members are required to incorporate these rules into national legislation. The Group is subject to the Pillar Two Model Rules from FY 2024/25 but does not meet the threshold for application of the Pillar One transfer pricing rules. The Group applies the temporary exception from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

UK legislation in relation to Pillar Two was substantively enacted on 20 June 2023 and applies to the Group for the reporting period beginning 31 March 2024. The Group has performed an analysis of the potential exposure to Pillar Two income taxes. The analysis of the potential exposure to Pillar Two income taxes is based on the most recently submitted Country by Country Reporting available for the constituent entities in the Group (for the 52 weeks to 29 March 2025). Based on the analysis, the transitional safe harbour relief should apply in respect of most jurisdictions in which the Group operates. Although there are a limited number of jurisdictions where the transitional safe harbour relief may not apply, the Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

10. Earnings per share

The calculation of basic earnings per share is based on profit or loss attributable to owners of the Company for the year divided by the weighted average number of ordinary shares in issue during the year. Basic and diluted earnings per share based on adjusted profit before taxation are also disclosed to indicate the underlying profitability of the Group.

	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Attributable (loss)/profit for the year before adjusting items[1]	(53)	270
Effect of adjusting items (after taxation)[1]	(22)	–
Attributable (loss)/profit for the year	**(75)**	270

1. Refer to note 6 for details of adjusting items.

The weighted average number of ordinary shares represents the weighted average number of Burberry Group plc ordinary shares in issue throughout the year, excluding ordinary shares held in the Group's ESOP trusts and treasury shares held by the Company or its subsidiaries.

Diluted earnings per share is based on the weighted average number of ordinary shares in issue during the year. In addition, account is taken of any options and awards made under the employee share incentive schemes, which will have a dilutive effect when exercised. Refer to note 27 for additional information on the terms and conditions of the employee share incentive schemes.

	52 weeks to 29 March 2025 Millions	52 weeks to 30 March 2024 Millions
Weighted average number of ordinary shares in issue during the year	357.5	365.0
Dilutive effect of the employee share incentive schemes[1]	0.9	1.2
Diluted weighted average number of ordinary shares in issue during the year[1]	**358.4**	366.2

	52 weeks to 29 March 2025 Pence	52 weeks to 30 March 2024 Pence
(Loss)/earnings per share		
Basic	(20.9)	74.1
Diluted[1]	(20.9)	73.9
Adjusted (loss)/earnings per share		
Basic	(14.8)	74.1
Diluted[1]	(14.8)	73.9

1. As the Group incurred an attributable loss for the 52 weeks to 29 March 2025, the effect of employee share incentive schemes was antidilutive and therefore not included in the calculation of diluted loss per share for the period.

11. Dividends paid to owners of the Company

	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Prior year final dividend paid 42.7p per share (last year: 44.5p)	152	167
Interim dividend paid £nil per share (last year: 18.3p)	–	66
Total	**152**	233

The Directors have elected not to declare an interim or final dividend in respect of the 52 weeks to 29 March 2025 (last year: 42.7p).

12. Intangible assets

Cost	Goodwill £m	Trademarks, licences and other intangible assets £m	Computer software £m	Intangible assets in the course of construction £m	Total £m
As at 1 April 2023	115	14	248	69	446
Effect of foreign exchange rate changes	(6)	–	(2)	–	(8)
Additions	–	1	8	44	53
Business combination	16	1	–	–	17
Disposals	–	–	(5)	(22)	(27)
Reclassifications from assets in the course of construction	–	–	30	(30)	–
As at 30 March 2024	**125**	**16**	**279**	**61**	**481**
Effect of foreign exchange rate changes	(5)	–	(1)	–	(6)
Additions	–	–	2	22	24
Disposals	–	(1)	(28)	–	(29)
Reclassifications from assets in the course of construction	–	–	61	(61)	–
As at 29 March 2025	**120**	**15**	**313**	**22**	**470**
Accumulated amortisation and impairment					
As at 1 April 2023	6	8	165	19	198
Effect of foreign exchange rate changes	–	–	(2)	–	(2)
Charge for the year	–	1	41	–	42
Disposals	–	–	(5)	(19)	(24)
As at 30 March 2024	**6**	**9**	**199**	**–**	**214**
Effect of foreign exchange rate changes	–	–	(2)	–	(2)
Charge for the year	–	1	53	–	54
Disposals	–	(1)	(28)	–	(29)
Impairment charge on assets	–	–	4	–	4
As at 29 March 2025	**6**	**9**	**226**	**–**	**241**
Net book value					
As at 29 March 2025	**114**	**6**	**87**	**22**	**229**
As at 30 March 2024	119	7	80	61	267

Impairment testing of goodwill

The carrying value of the goodwill allocated to cash generating units:

	As at 29 March 2025 £m	As at 30 March 2024 £m
Mainland China	**45**	46
South Korea	**22**	24
Retail and Wholesale segment[1]	**34**	35
Other	**13**	14
Total	**114**	119

1. Goodwill which arose on acquisitions of Burberry Manifattura S.R.L. and Burberry Tecnica S.R.L. has been allocated to the group of cash generating units which make up the Group's Retail and Wholesale operating segment cash generating unit. This reflects the lowest level at which the goodwill is being monitored by management.

The Group tests goodwill for impairment annually or when there is an indication that goodwill might be impaired. The recoverable amount of all cash generating units has been determined on a value-in-use basis. Value-in-use calculations for each cash generating unit are based on projected pre-tax discounted cash flows together with a discounted terminal value. The cash flows have been discounted at pre-tax rates reflecting the Group's weighted average cost of capital adjusted for country-specific tax rates and risks. Where the cash generating unit has a non-controlling interest which was recognised at a value equal to its proportionate interest in the net identifiable assets of the acquired subsidiary at the acquisition date, the carrying amount of the goodwill has been grossed up, to include the goodwill attributable to the non-controlling interest, for the purpose of impairment testing the goodwill attributable to the cash generating unit. The key assumptions contained in the value-in-use calculations include the future revenues, the operating profit margins achieved and the discount rates applied.

The value-in-use calculations have been prepared using management's cost and revenue projections for the next three years to 1 April 2028 and a longer-term growth rate of 5% to 30 March 2030 (last year: 5% to 31 March 2029). A terminal value has been included in the value-in-use calculation based on the cash flows for the year ending 30 March 2030, incorporating the assumption that growth beyond 30 March 2030 is equivalent to nominal inflation rates, assumed to be 2% (last year: 2% beyond 31 March 2029), which are not significant to the assessment.

The value-in-use estimates indicated that the recoverable amount of the cash generating unit exceeded the carrying value for each of the cash generating units. As a result, no impairment has been recognised in respect of the carrying value of goodwill in the year.

12. Intangible assets continued

Impairment testing of goodwill continued

For the material goodwill balances of Mainland China, South Korea and the Retail and Wholesale segment, management has considered the potential impact of reasonably possible changes in assumptions on the recoverable amount of goodwill. The sensitivities include applying a 10% reduction in revenue and gross profit and the associated impact on operating profit margin from management's base cash flow projections, considering the macroeconomic and political uncertainty risk on the Group's retail operations and on the global economy. Under this scenario, the estimated recoverable amount of goodwill in Mainland China, South Korea and the Retail and Wholesale segment still exceeded the carrying value.

The pre-tax discount rates for Mainland China, South Korea and the Retail and Wholesale segment were 12%, 11% and 12% respectively (last year: Mainland China 12%, South Korea 10%, and the Retail and Wholesale segment 11%). No reasonably possible change in these pre-tax discount rates would result in the carrying value exceeding the estimated recoverable amount of goodwill.

The other goodwill balance of £13 million (last year: £14 million) consists of amounts relating to eight cash generating units, none of which have goodwill balances individually exceeding £6 million as at 29 March 2025 (last year: £6 million).

13. Property, plant and equipment

Cost	Freehold land and buildings £m	Leasehold improvements £m	Fixtures, fittings and equipment £m	Assets in the course of construction £m	Total £m
As at 1 April 2023	121	585	366	76	1,148
Effect of foreign exchange rate changes	(2)	(27)	(8)	(3)	(40)
Additions	–	88	32	44	164
Business combination	–	–	1	–	1
Disposals	–	(69)	(47)	–	(116)
Reclassifications from assets in the course of construction	–	54	14	(68)	–
Reclassifications to assets held for sale	(28)	–	–	–	(28)
As at 30 March 2024	**91**	**631**	**358**	**49**	**1,129**
Effect of foreign exchange rate changes	(2)	(18)	(9)	(1)	(30)
Additions	2	86	15	20	123
Disposals	–	(36)	(23)	–	(59)
Reclassifications from assets in the course of construction	–	26	21	(47)	–
As at 29 March 2025	**91**	**689**	**362**	**21**	**1,163**
Accumulated depreciation and impairment					
As at 1 April 2023	62	407	303	–	772
Effect of foreign exchange rate changes	–	(17)	(8)	–	(25)
Charge for the year	2	69	32	–	103
Disposals	–	(69)	(47)	–	(116)
Impairment charge on assets	–	4	1	–	5
Reclassifications to assets held for sale	(16)	–	–	–	(16)
As at 30 March 2024	**48**	**394**	**281**	**–**	**723**
Effect of foreign exchange rate changes	(2)	(12)	(7)	–	(21)
Charge for the year	2	77	33	–	112
Disposals	–	(36)	(23)	–	(59)
Impairment charge on assets	–	8	2	–	10
As at 29 March 2025	**48**	**431**	**286**	**–**	**765**
Net book value					
As at 29 March 2025	**43**	**258**	**76**	**21**	**398**
As at 30 March 2024	43	237	77	49	406

13. Property, plant and equipment continued

During the 52 weeks to 29 March 2025, management carried out a review of retail cash generating units comprising right-of-use asset and property, plant and equipment, for any indication of impairment or reversal of impairments previously recorded. Where indications of impairment charges or reversals were identified, the impairment review compared the value-in-use of the cash generating units to their net book values at 29 March 2025. The pre-tax cash flow projections used for this review were based on financial plans of expected revenues and costs of each retail cash generating unit, approved by management, reflecting their latest plans over the next three years to 1 April 2028. For the remainder of the asset life, the cash flows assume industry growth rates of 5% (last year: 5%) and cost inflation rates appropriate to each store's location, followed by longer-term growth rates of mid-single digits (last year: mid-single digits) and inflation rates appropriate to each store's location. The pre-tax discount rates used in these calculations were between 10.5% and 12.8% (last year: between 10.2% and 12.1%) based on the Group's weighted average cost of capital adjusted for country-specific borrowing costs, tax rates and risks for those countries in which a charge was incurred. Where indicators of impairment have been identified and the value-in-use was less than the carrying value of the cash generating unit, an impairment of property, plant and equipment and right-of-use asset was recorded.

During the 52 weeks to 29 March 2025, a charge of £42 million (last year: £14 million) was recorded within net operating expenses as a result of the annual review of impairment for retail store assets. The charge is comprised of £10 million (last year: £5 million) recorded against property, plant and equipment and £32 million (last year: £9 million) recorded against right-of-use assets. Refer to note 14 for further details of right-of-use assets.

The impairment charge recorded in property, plant and equipment related to 17 retail cash generating units (last year: six retail cash generating units) for which the total recoverable amount at the balance sheet date is £17 million (last year: £15 million).

Management has considered the potential impact of changes in assumptions on the impairment recorded against the Group's retail assets. Given the macroeconomic and political uncertainty risk on the Group's retail operations and on the global economy, management has considered sensitivities to the impairment charge as a result of changes to the estimate of future revenues achieved by the retail stores. The sensitivities applied are an increase or decrease in revenue of 10% from the estimate used to determine the impairment charge or reversal. It is estimated that a 10% decrease/increase in revenue assumptions for the 52 weeks to 28 March 2026, with no change to subsequent forecast revenue growth rate assumptions, would result in a £11 million increase/£18 million decrease in the impairment charge of retail store assets in the 52 weeks to 29 March 2025 (last year: £19 million increase/ £9 million decrease).

No assets were classified as held for sale at 29 March 2025. During the 52 weeks to 29 March 2025, the Group completed the sale of a freehold property previously classified as held for sale for £12 million, resulting in a net gain on disposal of £nil.

14. Right-of-use assets

Net book value	Property right-of-use assets £m	Non-property right-of-use assets £m	Total right-of-use assets £m
As at 1 April 2023	950	–	950
Effect of foreign exchange rate changes	(27)	–	(27)
Additions	162	–	162
Business combination	2	–	2
Remeasurements	169	–	169
Depreciation for the year	(234)	–	(234)
Impairment charge on right-of-use assets	(9)	–	(9)
As at 30 March 2024	**1,013**	**–**	**1,013**
Effect of foreign exchange rate changes	(17)	–	(17)
Additions	65	5	70
Remeasurements	80	–	80
Depreciation for the year	(244)	(3)	(247)
Impairment charge on right-of-use assets	(32)	–	(32)
As at 29 March 2025	**865**	**2**	**867**

As a result of the assessment of retail cash generating units for impairment, an impairment charge of £31 million (last year: £9 million) was recorded for impairment of right-of-use assets related to trading impacts. Refer to note 13 for further details of impairment assessment of retail cash generating units. The impairment charge in the prior year arose from the impairment of right-of-use assets related to trading impacts.

The impairment charge recorded in right-of-use assets relates to 18 retail cash generating units (last year: seven retail cash generating units) for which the total recoverable amount at the balance sheet date is £53 million (last year: £44 million).

At 29 March 2025, an impairment charge of £1 million was recognised in relation to non-retail right-of-use assets arising as a result of the Group's restructuring programme and was presented as an adjusting item (refer to note 6).

As a result, the total impairment charge for right-of-use assets was £32 million (last year: £9 million).

15. Deferred taxation

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and there is an intention to settle on a net basis, and to the same fiscal authority. The assets and liabilities presented in the Balance Sheet, after offset, are shown in the table below:

	As at 29 March 2025 £m	As at 30 March 2024 £m
Deferred tax assets	**233**	208
Deferred tax liabilities	**(1)**	(1)
Net amount	**232**	207

The movement in the deferred tax account is as follows:	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
At start of year	**207**	196
Effect of foreign exchange rate changes	**(4)**	(11)
Credited to the Income Statement	**29**	24
Business combination	**–**	(1)
Credited to other comprehensive income	**–**	1
Charged to equity	**–**	(2)
At end of year	**232**	207

The movement in the net deferred tax balances during the year is as follows:

	Capital allowances £m	Unrealised inventory profit and other inventory provisions £m	Share schemes £m	Unused tax losses £m	Leases £m	Other[1] £m	Total £m
As at 1 April 2023	14	108	8	14	31	21	196
Effect of foreign exchange rate changes	(1)	(7)	–	–	(1)	(2)	(11)
Credited/(charged) to the Income Statement	(11)	23	(3)	15	5	(5)	24
Business combination	–	–	–	–	–	(1)	(1)
Credited to other comprehensive income	–	–	–	–	–	1	1
Charged to equity	–	–	(2)	–	–	–	(2)
As at 30 March 2024	**2**	**124**	**3**	**29**	**35**	**14**	**207**
Effect of foreign exchange rate changes	–	2	–	(6)	–	–	(4)
Credited/(charged) to the Income Statement	5	(15)	–	42	4	(7)	29
As at 29 March 2025	**7**	**111**	**3**	**65**	**39**	**7**	**232**

1. Deferred balances within Other relate largely to temporary differences arising on other provisions and accruals.

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related benefit through future taxable profits is probable. The Group did not recognise deferred tax assets of £50 million (last year: £50 million) in respect of losses and temporary timing differences amounting to £210 million (last year: £201 million) that can be set off against future taxable income. There is a time limit for the recovery of £3 million of these potential assets (last year: £1 million) which ranges from one to 10 years (last year: one to five years).

The Group has recognised a deferred tax asset of £92 million (not including profit in stock consolidation adjustments) in Mainland China, of which £60 million arises due to losses in FY 2022/2023, FY 2023/2024 and FY 2024/2025. Group financial forecasts indicate that the subsidiary in Mainland China is expected to generate future taxable profits which will enable the deferred tax asset to be utilised in full.

For jurisdictions where tax deductions do not follow IFRS 16 accounting, the Group recognises a deferred tax asset on the lease liability and a separate deferred tax liability on the right-of-use asset. The Group applies jurisdictional netting and the net position is included in the “Leases” column above.

Included within other temporary differences above is a deferred tax liability of £1 million (last year: £1 million) relating to unremitted overseas earnings. No deferred tax liability is provided in respect of any future remittance of earnings of foreign subsidiaries where the Group is able to control the remittance of earnings and it is probable that such earnings will not be remitted in the foreseeable future, or where no liability would arise on the remittance. The aggregate amount of unremitted earnings in respect of which no deferred tax liability has been provided is £126 million (last year: £255 million).

16. Trade and other receivables

	As at 29 March 2025 £m	As at 30 March 2024 £m
Non-current		
Other financial receivables[1]	43	47
Prepayments	5	5
Total non-current trade and other receivables	48	52
Current		
Trade receivables	141	189
Provision for expected credit losses	(11)	(10)
Net trade receivables	130	179
Other financial receivables[1]	32	27
Other non-financial receivables[2]	104	86
Prepayments	28	33
Accrued income	15	15
Total current trade and other receivables	309	340
Total trade and other receivables	357	392

1. Other financial receivables include rental deposits and other sundry debtors.
2. Other non-financial receivables relates primarily to indirect taxes and other taxes and duties.

Included in total trade and other receivables are non-financial assets of £137 million (last year: £124 million).

The Group's impairment policies and the calculation of any allowances for credit losses are detailed in note 26 in the credit risk section.

17. Inventories

	As at 29 March 2025 £m	As at 30 March 2024 £m
Raw materials	26	29
Work in progress	1	3
Finished goods	397	475
Total inventories	424	507

	As at 29 March 2025 £m	As at 30 March 2024 £m
Total inventories, gross	527	580
Provisions	(103)	(73)
Total inventories, net	424	507

Inventory provisions of £103 million (last year: £73 million) are recorded, representing 19.6% (last year: 12.6%) of the gross value of inventory. The provisions reflect management's best estimate of the net realisable value of inventory, where this is considered to be lower than the cost of the inventory.

The cost of inventories recognised as an expense and included in cost of sales amounted to £887 million (last year: £922 million).

Taking into account factors impacting the inventory provisioning including the proportion of inventory sold through loss making channels being higher or lower than expected, management considers that a reasonable potential range of outcomes could result in an increase in inventory provisions of £31 million or a decrease in inventory provisions of £21 million in the next 12 months.
This would result in a potential range of inventory provisions of 15.6% to 25.5% as a percentage of the gross value of inventory as at 29 March 2025.

The net movement in inventory provisions included in cost of sales for the 52 weeks to 29 March 2025 was a charge of £44 million (last year: £39 million). The total reversal of inventory provisions during the current year, which is included in the net movement, was £8 million (last year: £15 million).

18. Derivative financial instruments

Master netting arrangements

The Group's derivative contracts are entered into under International Swaps and Derivatives Association (ISDA) master netting arrangements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single amount that is payable by one party to the other. In certain circumstances, such as when a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions. The ISDA agreements do not meet the criteria for offsetting in the Balance Sheet as the Group's right to offset is enforceable only on the occurrence of future events such as default. The Group has amended the ISDA agreement with two banks to require it to net settle its forward foreign exchange contracts. There were no derivatives subject to net settlement agreements and offset on the Balance Sheet at 29 March 2025 (last year: none). The Group's Balance Sheet would not be materially different if it had offset its forward foreign exchange contracts, interest rate swaps and equity swap contracts subject to the standard ISDA agreements.

Derivative financial assets and liabilities

The fair value and notional amounts of derivatives analysed by hedge type are as follows:

	As at 29 March 2025				As at 30 March 2024			
	Asset		**Liability**		Asset		Liability	
	Fair value £m	**Notional value £m**	**Fair value £m**	**Notional value £m**	Fair value £m	Notional value £m	Fair value £m	Notional value £m
Forward foreign exchange contracts – cash flow hedges	**–**	**45**	**(1)**	**110**	–	–	(2)	71
Forward foreign exchange contracts – fair value through profit and loss[1]	**10**	**473**	**–**	**52**	2	305	(1)	134
Equity swap contracts – fair value through profit and loss	**1**	**2**	**–**	**–**	–	–	(1)	4
Interest rate swaps – fair value hedging instrument[2]	**–**	**–**	**(3)**	**450**	–	–	–	–
Total position	**11**	**520**	**(4)**	**612**	2	305	(4)	209
Comprising:								
Total current position	**11**	**520**	**(1)**	**162**	2	305	(4)	209
Total non-current position	**–**	**–**	**(3)**	**450**	–	–	–	–

1. Forward foreign exchange contracts classified as fair value through profit and loss are used for cash management and hedging monetary assets and liabilities. At 29 March 2025, all such contracts had maturities of no greater than 10 months from the balance sheet date (last year: no greater than three months from the balance sheet date).
2. The Group has entered into interest rate swaps to reduce the level of fixed rate debt in accordance with the Group Treasury Policy, and has entered the swaps into fair value hedge relationships with the £450 million medium term note (MTN) Fixed rate bond.

Effect of hedge accounting on the financial position and performance

The impact of the hedging instruments on the Group's financial position and performance is as follows:

As at 29 March 2025	Carrying amount £m	Notional amount £m	Maturity date	Change in fair value used for measuring ineffectiveness for the period £m
Foreign currency forwards (assets)	**–**	**45**	**Jun 2025 – Jan 2026**	**–**
Foreign currency forwards (liabilities)	**(1)**	**110**	**Jun 2025 – Oct 2025**	**1**
Interest rate swaps (assets)	**–**	**–**	**–**	**–**
Interest rate swaps (liabilities)	**(3)**	**450**	**Jun 2030**	**(3)**

As at 30 March 2024	Carrying amount £m	Notional amount £m	Maturity date	Change in fair value used for measuring ineffectiveness for the period £m
Foreign currency forwards (assets)	–	–	–	–
Foreign currency forwards (liabilities)	(2)	71	May 2024 – Aug 2024	(2)
Interest rate swaps (assets)	–	–	–	–
Interest rate swaps (liabilities)	–	–	–	–

18. Derivative financial instruments continued

The impact of the fair value hedged item on the Balance Sheet as at 29 March 2025 is as follows:

	Carrying amount £m	Accumulated fair value adjustments £m	Change in value of hedged item used to determine hedge ineffectiveness £m
5.75% £450m MTN Fixed rate bond	**438**	**(2)**	**(1)**

The change in value of the cash flow hedges used to determine hedge ineffectiveness as at 29 March 2025 is £1 million.

The foreign currency forwards are denominated in the same currency as the highly probable future inventory purchases (EUR), therefore the hedge ratio is 1:1. The weighted average hedged rate of outstanding contracts (including forward points) in EUR was 1.1893 (last year: 1.1322).

The terms of the interest rate swap contracts match the terms of the borrowings including notional amounts and maturity, interest settlement and interest rate reset dates, therefore the Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the derivative contract is identical to that of the hedged item.

The contractual maturity profile of non-current financial liabilities is shown in note 26. For further details of cash flow hedging, refer to note 26 in the market risk section.

19. Cash and cash equivalents

	As at 29 March 2025 £m	As at 30 March 2024 £m
Cash and cash equivalents held at amortised cost		
Cash at bank and in hand	**174**	180
Short-term deposits	**132**	83
	306	263
Cash and cash equivalents held at fair value through profit and loss		
Short-term deposits	**507**	178
Total	**813**	441

Cash and cash equivalents classified as fair value through profit and loss relate to deposits held in low volatility net asset value money market funds. The cash is available immediately and, since the funds are managed to achieve low volatility, no significant change in value is anticipated. The funds are monitored to ensure there are no significant changes in value.

As at 29 March 2025 and 30 March 2024, no impairment losses were identified on cash and cash equivalents held at amortised cost.

20. Trade and other payables

	As at 29 March 2025 £m	As at 30 March 2024 £m
Non-current		
Other payables[1]	3	3
Deferred income and non-financial accruals	8	9
Contract liabilities	43	51
Total non-current trade and other payables	54	63
Current		
Trade payables	146	180
Other taxes and social security costs	46	45
Other payables[1]	31	21
Accruals	160	165
Deferred income and non-financial accruals	8	11
Contract liabilities	11	12
Deferred consideration[2]	3	5
Total current trade and other payables	405	439
Total trade and other payables	459	502

1. Other payables comprise interest and employee-related liabilities.
2. Deferred consideration relates to the acquisition of the economic right to the non-controlling interest in Burberry Middle East LLC on 22 April 2016. In the 52 weeks to 29 March 2025, payments of £2 million were made in relation to Burberry Middle East LLC (last year: no payments). Contingent payments of £3 million remain outstanding at 29 March 2025, which will be paid once all required documentation is complete.

Included in total trade and other payables are non-financial liabilities of £116 million (last year: £128 million).

Contract liabilities

Retail contract liabilities relate to unredeemed balances on issued gift cards and similar products, and advanced payments received for sales which have not yet been delivered to the customer. Licensing contract liabilities relate to deferred revenue arising from the upfront payment for the Beauty licence which is being recognised in revenue over the term of the licence on a straight-line basis, reflecting access to the trademark over the licence period to 2032.

	As at 29 March 2025 £m	As at 30 March 2024 £m
Retail contract liabilities	4	6
Licensing contract liabilities	50	57
Total contract liabilities	54	63

The amount of revenue recognised in the year relating to contract liabilities at the start of the year is set out in the following table. All revenue in the year relates to performance obligations satisfied in the year. All contract liabilities at the end of the year relate to unsatisfied performance obligations.

	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Retail revenue relating to contract liabilities	2	3
Deferred revenue from Beauty licence	7	7
Revenue recognised that was included in contract liabilities at the start of the year	9	10

21. Lease liabilities

	Property lease liabilities £m	Non-Property lease liabilities £m	Total lease liabilities £m
Balance as at 1 April 2023	1,123	–	1,123
Effect of foreign exchange rate changes	(30)	–	(30)
Created during the year	159	–	159
Business combination	1	–	1
Amounts paid[1]	(274)	–	(274)
Discount unwind	43	–	43
Remeasurements[2]	166	–	166
Balance as at 30 March 2024	**1,188**	–	**1,188**
Effect of foreign exchange rate changes	(18)	–	(18)
Created during the year	65	5	70
Amounts paid[1]	(283)	(3)	(286)
Discount unwind	49	–	49
Remeasurements[2]	78	–	78
Balance as at 29 March 2025	**1,079**	**2**	**1,081**

	As at 29 March 2025 £m	As at 30 March 2024 £m
Analysis of total lease liabilities:		
Non-current	**866**	959
Current	**215**	229
Total	**1,081**	1,188

1. The amount paid of £286 million (last year: £274 million) includes £237 million (last year: £231 million), including £5 million paid on termination of lease, representing a financing cash outflow and £49 million (last year: £43 million) representing an operating cash outflow.
2. Remeasurements relate largely to changes in the lease liabilities that arise as a result of extending the lease term on an existing lease, management's reassessment of the lease term based on existing break or extension options in the contract, as well as those linked to an inflation index or rate review.

The Group enters into property leases for retail properties, including stores, concessions, warehouse and storage locations and office property. The remaining lease terms for these properties range from a few months to 15 years (last year: a few months to 16 years). Many of the leases include break options and/or extension options to provide operational flexibility. Some of the leases for concessions have rolling lease terms or rolling break options. Management assess the lease term at inception based on the facts and circumstances applicable to each property including the period over which the investment appraisal was initially considered.

Potential future undiscounted lease payments related to periods following the exercise date of an extension option not included in the lease term, and therefore not included in lease liabilities, are approximately £360 million (last year: £434 million) in relation to the next available extension option and are assessed as not reasonably certain to be exercised. Potential future undiscounted lease payments related to periods following the exercise date of a break option not included in the lease term, and therefore not included in lease liabilities, are approximately £73 million (last year: £113 million) in relation to break options which are expected to be exercised. During the 52 weeks to 29 March 2025, no significant judgements regarding breaks and options in relation to individually material leases were made (last year: £100 million in undiscounted future cash flows not being included in the initial right-of-use assets and lease liabilities).

Management reviews the retail lease portfolio on an ongoing basis, taking into account retail performance and future trading expectations. Management may exercise extension options and negotiate lease extensions or modifications. In other instances, management may exercise break options, negotiate lease reductions or decide not to negotiate a lease extension at the end of the lease term. The most significant factor impacting future lease payments is changes management choose to make to the store portfolio.

Future increases and decreases in rent linked to an inflation index or rate review are not included in the lease liability until the change in cash flows is legally agreed. Approximately 20% (last year: 19%) of the Group's lease liabilities are subject to inflation linked reviews and 31% (last year: 32%) are subject to rent reviews. Rental changes linked to inflation or rent reviews typically occur on an annual basis.

Many of the retail property leases also incur payments based on a percentage of revenue achieved at the location. Changes in future variable lease payments will typically reflect changes in the Group's retail revenues, including the impact of regional mix. The Group expects the relative proportions of fixed and variable lease payments to remain broadly consistent in future years.

The Group also enters into non-property leases for equipment, advertising fixtures and machinery. Generally, these leases do not include break or extension options. The most significant impact to future cash flows relating to leased equipment, which are primarily short-term leases, would be the Group's usage of leased equipment to a greater or lesser extent.

21. Lease liabilities continued

The Group's accounting policy for leases is set out in note 2. Details of Income Statement charges and income from leases are set out in note 5. The right-of-use asset categories on which depreciation is incurred are presented in note 14. Interest expense incurred on lease liabilities is presented in note 8. Commitments relating to off-balance sheet leases are presented in note 25. The maturity of undiscounted future lease liabilities are set out in note 26.

Total cash outflows in relation to leases in the 52 weeks to 29 March 2025 are £394 million (last year: £417 million). This relates to payments of £237 million on lease principal (last year: £231 million), £49 million on lease interest (last year: £43 million), £91 million on variable lease payments (last year: £113 million), and £17 million on other lease payments principally relating to short-term leases and leases in holdover (last year: £30 million).

22. Provisions for other liabilities and charges

	Property obligations £m	Restructuring costs[1] £m	Other costs £m	Total £m
Balance as at 1 April 2023	49	–	13	62
Effect of foreign exchange rate changes	(3)	–	–	(3)
Created during the year	5	–	4	9
Utilised during the year	(1)	–	(1)	(2)
Released during the year	(2)	–	(7)	(9)
Balance as at 30 March 2024	**48**	**–**	**9**	**57**
Effect of foreign exchange rate changes	(1)	–	–	(1)
Created during the year	4	29	4	37
Utilised during the year	(6)	(21)	(2)	(29)
Released during the year	(2)	–	(2)	(4)
Balance as at 29 March 2025	**43**	**8**	**9**	**60**

1. Provision for restructuring costs relates to the Burberry Forward transformation programme initiated during the period which is included as an adjusting item. Refer to note 6 for details of adjusting items.

The net charge in the year for property obligations is £2 million (last year: £3 million), relating to future property reinstatement costs. The net charge in the year for other provisions of £2 million (last year: net credit of £3 million) includes charges of £4 million (last year: £4 million) relating to expected future outflows for employee matters and tax compliance, and reversals of £2 million (last year: £7 million) relating to employee matters and other property matters.

	As at 29 March 2025 £m	As at 30 March 2024 £m
Analysis of total provisions:		
Non-current	**33**	37
Current	**27**	20
Total	**60**	57

The non-current provisions relate to property reinstatement costs which are expected to be utilised within 15 years (last year: 14 years).

23. Borrowings

		As at 29 March 2025		As at 30 March 2024	
	Maturity	Carrying value £m	Fair value £m	Carrying value £m	Fair value £m
Bank overdrafts[1]	–	105	105	79	79
1.125% £300m MTN Sustainability-linked bond[2]	Sep 2025	300	294	299	281
5.75% £450m MTN Fixed rate bond[3]	Jun 2030	438	443	–	–
Total		**843**	**842**	378	360

1. Bank overdrafts includes £105 million (last year: £78 million) representing balances on cash pooling arrangements in the Group, as well as £nil (last year: £1 million) relating to a number of committed and uncommitted arrangements agreed with third parties. The fair value of overdrafts approximates the carrying amount due to the short maturity of these instruments.
2. Proceeds from the sustainability bond have been used by the Group to finance projects which support the Group's sustainability agenda. All movements on the bond were non cash. There are no financial penalties for not using the proceeds as anticipated. Interest on the sustainability bond is payable semi-annually.
3. The proceeds from the bond were £439 million. All other movements on the bond were non cash. The Group has entered into interest rate swaps to reduce the level of fixed rate debt in accordance with the Group Treasury Policy, and has entered the swaps into fair value hedge relationships with the bond. Interest on the bond is payable semi-annually.

The Group has a £300 million multi-currency revolving credit facility (RCF) with a syndicate of banks, maturing in November 2027.

During the year, the Group entered into a £75 million multi-currency RCF with a syndicate of banks, maturing in March 2027. The agreement contains an option which will allow the Group to extend for an additional one year which is exercisable in 2026, at the consent of the syndicate.

There were no drawdowns or repayments of the RCFs during the current or prior year, and at 29 March 2025 there were no outstanding drawings.

The Group is in compliance with the financial and other covenants within the facilities above and has been in compliance throughout the financial period.

24. Share capital and reserves

Allotted, called up and fully paid share capital	Number	£m
Ordinary shares of 0.05p (last year: 0.05p) each		
As at 1 April 2023	**384,267,928**	**0.2**
Allotted on exercise of options during the year	51,904	–
Cancellation of shares	(20,504,089)	–
As at 30 March 2024	**363,815,743**	**0.2**
Allotted on exercise of options during the year	571	–
As at 29 March 2025	**363,816,314**	**0.2**

The Company has a general authority from shareholders, renewed at each Annual General Meeting, to repurchase a maximum of 10% of its issued share capital. There has been no share buy-back programme in the current period.

During the prior 52 weeks to 30 March 2024, the Company entered into agreements to purchase, at fair value, a total of £400 million of its own shares, excluding stamp duty and fees, through two share buy-back programmes of £200 million each. Both programmes completed during the prior year.

The cost of own shares purchased by the Company, as part of a share buy-back programme, is offset against retained earnings, as the amounts paid reduce the profits available for distribution by the Company. When shares are cancelled, a transfer is made from retained earnings to the capital reserve, equivalent to the nominal value of the shares purchased, and subsequently cancelled. In the 52 weeks to 29 March 2025, no shares were cancelled (last year: 20.5 million).

As at 29 March 2025, the Company held 4.6 million treasury shares (last year: 5.2 million), with a market value of £37 million (last year: £63 million) based on the share price at the reporting date. The treasury shares held by the Company are related to the share buy-back programme completed during the 52 weeks to 2 April 2022. During the 52 weeks to 29 March 2025, 0.6 million treasury shares were transferred to ESOP trusts (last year: 0.9 million). During the 52 weeks to 29 March 2025, no treasury shares were cancelled (last year: none).

The cost of shares purchased by ESOP trusts are offset against retained earnings, as the amounts paid reduce the profits available for distribution by the Company. As at 29 March 2025, the cost of own shares held by ESOP trusts and offset against retained earnings is £29 million (last year: £34 million). As at 29 March 2025, the ESOP trusts held 1.7 million shares (last year: 1.9 million) in the Company, with a market value of £14 million (last year: £23 million). In the 52 weeks to 29 March 2025, the ESOP trusts and the Company have waived their entitlement to dividends.

Other reserves in the Statement of Changes in Equity consist of the capital reserve, the foreign currency translation reserve, and the hedging reserves. The hedging reserves consist of the cash flow hedge reserve and the net investment hedge reserve.

24. Share capital and reserves continued

		Hedging reserves			
	Capital reserve £m	Cash flow hedges £m	Net investment hedge £m	Foreign currency translation reserve £m	Total £m
Balance as at 1 April 2023	41	(1)	5	232	277
Other comprehensive income:					
Cash flow hedges – losses deferred in equity	–	(4)	–	–	(4)
Cash flow hedges – transferred to income	–	1	–	–	1
Foreign currency translation differences	–	–	–	(34)	(34)
Tax on other comprehensive income	–	1	–	–	1
Total comprehensive income for the year	–	(2)	–	(34)	(36)
Balance as at 30 March 2024	**41**	**(3)**	**5**	**198**	**241**
Other comprehensive income:					
Cash flow hedges – losses deferred in equity	–	(1)	–	–	(1)
Cash flow hedges – transferred to income	–	2	–	–	2
Foreign currency translation differences	–	–	–	(25)	(25)
Total comprehensive income for the year	–	1	–	(25)	(24)
Balance as at 29 March 2025	**41**	**(2)**	**5**	**173**	**217**

As at 29 March 2025, the amount held in the hedging reserve relating to matured net investment hedges is £5 million net of tax (last year: £5 million).

25. Commitments

Financial commitments

The Group leases various retail stores, offices, warehouses and equipment under non-cancellable lease arrangements. The liabilities for these leases are recorded on the Group's Balance Sheet when the Group obtains control of the underlying asset. The Group has additional commitments relating to leases where the Group has entered into an obligation but does not yet have control of the underlying asset. The future lease payments to which the Group is committed, over the expected lease term, which are not recorded on the Group's Balance Sheet are as follows:

	As at 29 March 2025 £m	As at 30 March 2024 £m
Amounts falling due:		
Within 1 year	**1**	2
Between 2 and 5 years	**24**	49
After 5 years	**57**	120
Total	**82**	171

During the 52 weeks to 30 March 2024, the Group entered into two significant retail store lease agreements in EMEIA. As at 29 March 2025, possession of the property for one of these leases is not yet obtained and it remains a financial commitment. During the 52 weeks to 29 March 2025, the Group agreed with the landlord to exit one of these agreements and has no remaining financial commitment with respect to this agreement. As at 29 March 2025, the Group also has operating commitments of £12 million.

Capital commitments

Contracted capital commitments represent contracts entered into by the year end for future work in respect of major capital expenditure projects relating to property, plant and equipment and intangible assets, which are not recorded on the Group's Balance Sheet and are as follows:

	As at 29 March 2025 £m	As at 30 March 2024 £m
Capital commitments contracted but not provided for:		
Property, plant and equipment	**16**	67
Intangible assets	**2**	4
Total	**18**	71

26. Financial risk management

The Group's principal financial instruments comprise derivative instruments, cash and cash equivalents, borrowings (including overdrafts), trade and other receivables, and trade and other payables arising directly from operations.

The Group's activities expose it to a variety of financial risks: market risks (including foreign exchange risk and interest rate risk), credit risk, liquidity risk and capital risk.

Risk management is carried out by the Group treasury department (Group Treasury) based on forecast business requirements to reduce financial risk and to ensure sufficient liquidity is available to meet foreseeable needs and to invest in cash and cash equivalents safely and profitably. The Group uses derivative instruments to hedge certain risk exposures. Group Treasury does not operate as a profit centre and transacts only in relation to the underlying business requirements. The policies of Group Treasury are reviewed and approved by the Board of Directors annually.

Market risk

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various non-sterling currencies.

The Group's Income Statement is affected by transactions denominated in foreign currency. To reduce exposure to currency fluctuations, the Group has a policy of hedging foreign currency denominated transactions by entering into forward foreign exchange contracts (refer to note 18). These transactions are recorded as cash flow hedges. The Group's foreign currency transactions arise principally from purchases and sales of inventory.

The Group's treasury risk management policy is to hedge, prior to market opening, 70-90% of its anticipated third-party foreign currency exposure by currency, by season and where the net currency exposure is greater than £20 million. Currently, the Group does not hedge anticipated intercompany foreign currency transactions. The Group uses forward exchange contracts to hedge its currency risk.

The Group designates the spot component of foreign currency forwards in hedge relationships and applies a ratio of 1:1. The forward elements of the foreign currency forward are excluded from designation of the hedging instrument and are separately accounted for as a cost of hedging and recognised in operating expenses on a discounted basis.

The Group determines the existence of an economic relationship between the hedging instrument and the hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the dollar offset method.

In these hedge relationships, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the Group or the derivative counterparty. There was no ineffectiveness in the 52 weeks ending 29 March 2025 (last year: no ineffectiveness).

The Group monitors the desirability of hedging the net assets of overseas subsidiaries when translated into sterling for reporting purposes. The Group would use forward foreign exchange contracts to hedge net assets of overseas subsidiaries, relating to surplus cash whose remittance is foreseeable. There were no outstanding net investment hedges as at 29 March 2025 (last year: no outstanding net investment hedges).

At 29 March 2025, the Group has performed a sensitivity analysis to determine the effect of sterling strengthening/weakening by 10% (last year: 10%) against other currencies with all other variables held constant. The effect on translating foreign currency denominated net cash, trade, intercompany and other financial receivables and payables and financial instruments at fair value through profit or loss as at 29 March 2025 would have been to increase/decrease operating profit for the year by £4 million (last year: increase/decrease £4 million) on a post-tax basis. The effect on translating forward foreign exchange contracts designated as cash flow hedges as at 29 March 2025 would have been to decrease/increase equity by £3 million (last year: decrease/increase £6 million) on a post-tax basis.

The following table shows the extent to which the Group has monetary assets and liabilities at the year end in currencies other than the local currency of operation, after accounting for the effect of any specific forward foreign exchange contracts used to manage currency exposure. Monetary assets and liabilities refer to cash, deposits, overdrafts, borrowings and other amounts to be received or paid in cash. Amounts exclude intercompany balances which eliminate on consolidation. Foreign exchange differences on retranslation of these assets and liabilities are recognised in net operating expenses.

	As at 29 March 2025			As at 30 March 2024		
	Monetary assets £m	Monetary liabilities £m	Net £m	Monetary assets £m	Monetary liabilities £m	Net £m
Sterling	**1**	**(1)**	**–**	1	(2)	(1)
US Dollar	**1**	**(20)**	**(19)**	1	(6)	(5)
Euro	**33**	**(32)**	**1**	58	(66)	(8)
Chinese Yuan Renminbi	**11**	**(3)**	**8**	7	–	7
Other currencies	**5**	**(27)**	**(22)**	5	(33)	(28)
Total	**51**	**(83)**	**(32)**	72	(107)	(35)

26. Financial risk management continued

Market risk continued

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to cash, borrowings, short-term deposits and overdrafts.

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with fixed interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Where the Group is in a net debt position, the Group's policy is to ensure that between 40% and 60% of the forecast net debt is fixed rate subject to a de minimus position.

To facilitate this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 29 March 2025, after taking into account the effect of interest rate swaps, approximately 100% of the Group's long-term borrowings are at a floating rate of interest (last year: none).

The floating rate financial liabilities at 29 March 2025 are £543 million (last year: £78 million) due to cash pool overdrafts and borrowings swapped from fixed interest rate to floating interest rate. The fixed rate financial liabilities at 29 March 2025 are borrowings of £300 million (last year: £299 million). If interest rates on floating rate financial liabilities had been 100 basis points higher/lower (last year: 100 basis points), excluding the impact on cash pool overdraft balances and with all other variables held constant, post-tax profit for the year would have been £3 million (last year: £nil) lower/higher, as a result of higher/lower interest expense.

The floating rate financial assets as at 29 March 2025 comprise short-term deposits of £639 million (last year: £261 million), interest bearing current accounts of £1 million (last year: £nil) and cash pool asset balances of £109 million (last year: £85 million). At 29 March 2025, if interest rates on floating rate financial assets had been 100 basis points higher/lower (last year: 100 basis points), excluding the impact on cash pool asset balances and with all other variables held constant, post-tax profit for the year would have been £3 million (last year: £4 million) higher/lower, as a result of higher/lower interest income.

Credit risk

Trade receivables

The Group has no significant concentrations of credit risk. The trade receivables balance is spread across a large number of different customers with no single debtor during the year representing more than 6% of the total balance due (last year: 6%). The Group has policies in place to ensure that wholesale sales are made to customers with an appropriate credit history. Sales to retail customers are made in cash or via major credit cards. In some retail locations, where the Group's store is contained within a department store or mall, for example a concession, the sales proceeds may be initially held by the operator of the wider location, giving rise to retail debtors. In addition, receivables balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant and default rates have historically been very low.

The Group applies the simplified approach when measuring the trade receivable expected credit losses. The approach uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on segment, geographical region and the days past due. The expected loss rates are reviewed annually, or when there is a significant change in external factors potentially impacting credit risk, and are updated where management's expectations of credit losses change. No changes have been made to the expected loss rates during the 52 weeks to 29 March 2025.

The expected credit loss allowance for receivables was determined as follows:

As at 29 March 2025	Current £m	Less than 1 month overdue £m	Less than 2 months overdue £m	Less than 3 months overdue £m	Over 3 months overdue £m	Total £m
Trade receivables						
Weighted average expected loss rate %	**1%**	**4%**	**8%**	**18%**	**21%**	
Gross carrying amount of trade receivables	**109**	**14**	**4**	**3**	**11**	**141**
Loss allowance[1]	**(2)**	**(1)**	**–**	**(1)**	**(7)**	**(11)**

As at 30 March 2024						
Trade receivables						
Weighted average expected loss rate %	2%	5%	10%	12%	39%	
Gross carrying amount of trade receivables	154	18	6	4	7	189
Loss allowance[1]	(3)	(1)	(1)	(1)	(4)	(10)

1. The loss allowance contains expected credit loss and specific loss provisions.

26. Financial risk management continued

Credit risk continued

Trade receivables continued

The closing loss allowances for receivables reconcile as follows:

	Receivables £m
As at 1 April 2023	7
Effect of foreign exchange rate changes	–
Impairment provision recognised in profit or loss during the year	6
Receivables written off during the year as uncollectable	(1)
Unused amount reversed	(2)
As at 30 March 2024	**10**
Effect of foreign exchange rate changes	**–**
Impairment provision recognised in profit or loss during the year	**5**
Receivables written off during the year as uncollectable	**(1)**
Unused amount reversed	**(3)**
As at 29 March 2025	**11**

In aggregate, as at 29 March 2025, the movement in the impairment provision on trade and other receivables and recorded in the Income Statement was a net charge of £2 million (last year: £4 million), all of which relates to contracts with customers.

The maximum exposure to credit risk at the reporting date with respect to trade and other receivables is approximated by the carrying amount on the Balance Sheet.

Receivables excluding trade receivables

The counterparty credit risk of other receivables is reviewed on a regular basis and the impairment is assessed as follows:

At inception the receivable is recorded net of expected 12-month credit losses. If a significant change in the credit risk occurs during the life of the receivable, credit losses are recorded in the profit and loss account and the effective interest is calculated using the gross carrying amount of the asset. If a loss event occurs, the effective interest is calculated using the amortised cost of the asset net of any credit losses.

During the year ended 31 March 2013, the Group entered into a retail leasing arrangement in the Republic of Korea. As part of this arrangement, a KRW 27 billion (£19 million) 15-year interest-free loan was provided to the landlord. The Group holds a registered mortgage over the leased property for the equivalent value of the loan which acts as collateral. At 29 March 2025, the discounted fair value of the loan is £13 million (last year: £13 million). The book value of the loan, recorded at amortised cost, is £12 million (last year: £14 million). Other than this arrangement, the Group does not hold any other collateral as security. Management considers that the security provided by the mortgage is sufficient risk mitigation and hence the credit loss relating to this receivable is not significant.

Other financial assets

With respect to credit risk arising from other financial assets, which comprise cash and short-term deposits and certain derivative instruments, the Group's exposure to credit risk arises from the default of the counterparty with a maximum exposure equal to the carrying value of these instruments. The Group has policies that limit the amount of credit exposure to any financial institution and only deposits funds with independently rated financial institutions with a minimum rating of 'A' other than where required for operational purposes. A total of £3 million (last year: £8 million) was held with institutions with a rating below 'A' at 29 March 2025. These amounts are monitored on a weekly basis by the Treasury Committee.

26. Financial risk management continued

Liquidity risk

The Group's financial risk management policy aims to ensure that sufficient cash is maintained to meet foreseeable needs and close out market positions. Due to the dynamic nature of the underlying business, Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available. For further details, refer to note 23.

All short-term trade and other payables, accruals, and bank overdrafts mature within one year or less. The carrying value of all financial liabilities due in less than one year is equal to their contractual undiscounted cash flows, with the exception of lease liabilities. The undiscounted contractual cash flows for lease liabilities due in less than one year is £262 million (last year: £282 million).

The maturity profile of the contractual undiscounted cash flows of the Group's non-current financial liabilities, excluding derivatives used for hedging, is as follows:

	As at 29 March 2025			As at 30 March 2024		
	Lease liabilities £m	Other £m	Total £m	Lease liabilities £m	Other £m	Total £m
In more than 1 year, but not more than 2 years	213	–	213	228	302	530
In more than 2 years, but not more than 3 years	192	–	192	181	–	181
In more than 3 years, but not more than 4 years	125	–	125	161	–	161
In more than 4 years, but not more than 5 years	116	–	116	108	–	108
In more than 5 years	378	455	833	459	1	460
Total financial liabilities	**1,024**	**455**	**1,479**	1,137	303	1,440

As at 29 March 2025, other non-current financial liabilities relate to borrowings of £438 million (last year: borrowings of £299 million). Refer to note 23.

Capital risk

The Board reviews the Group's capital allocation policy annually. The Group's capital allocation framework defines its priorities for uses of cash, underpinned by its principle to maintain a strong balance sheet with a solid investment grade credit rating. Subject to the availability of capital, the framework has four priorities for the use of cash generated from operations:

- Re-investment in the business to drive organic growth
- Maintaining a progressive dividend policy
- Continuing to pursue selective inorganic strategic investment
- To the extent that there is surplus capital to these needs, providing additional returns to shareholders

At 29 March 2025, the Group had net cash of £708 million (last year: £362 million), borrowings of £738 million (last year: £299 million) and total equity excluding non-controlling interests of £914 million (last year: £1,147 million). The borrowings at 29 March 2025 relate to medium-term notes with a face value of £750 million (last year: £300 million). For further details, refer to note 23. Potential additional sources of funding available to the Group include undrawn and additional bank facilities, longer-term debt and equity funding. The Group's current capital resources, together with the potential additional sources of funding, are considered sufficient to address the Group's capital risk.

27. Employee costs

Staff costs, including the cost of Directors, incurred during the year are as shown below. Directors' remuneration, which is separately disclosed in the Directors' Remuneration Report on pages 136 to 157 and forms part of these financial statements, includes, for those share options and awards where performance obligations have been met, the notional gains arising on the future exercise but excludes the charge in respect of those share options and awards recognised in the Group Income Statement.

	52 weeks to 29 March 2025[1] £m	52 weeks to 30 March 2024 £m
Wages and salaries	461	474
Social security costs	58	56
Pension costs	22	21
	541	551
Termination benefits	17	5
Equity-settled share-based payment charge	18	16
Total	576	572

1. Employee costs for the 52 weeks to 29 March 2025 include a charge of £16 million arising as a result of the Group's restructuring programme which is presented as an adjusting item. Refer to note 6 for further details.

Pension costs include contributions to the Group's defined contribution plan for eligible employees.

The average number of full-time equivalent employees (including Executive Directors) during the year was as follows:

	Number of employees	
	52 weeks to 29 March 2025	52 weeks to 30 March 2024
EMEIA[2]	4,431	4,591
Americas	1,238	1,291
Asia Pacific	3,032	3,287
Total	8,701	9,169

2. EMEIA comprises Europe, Middle East, India and Africa.

Shares and share options granted to Directors and employees

The Group had the following share-based compensation schemes in operation during the year:

Share-based compensation scheme	Participants	Maximum vesting period for options / awards granted	Method of settlement	Vesting requirements
Burberry Share Plan (BSP) Award Schemes	Executive Directors	3 years	Equity and cash	Continued service and conditional upon meeting underpins: total revenue, ROIC and reasonable progress in respect of our strategy to elevate our brand and build a more sustainable future
Burberry Share Plan (BSP) Award Schemes	Management	3 years	Equity and cash	Continued service
Executive Share Plan (ESP) Nil cost Option Schemes	Management	4 years	Equity and cash	Thresholds and targets for all ESP schemes have now been assessed and the number of shares awarded has been approved
ShareSave (SAYE) Option Schemes	All employees	5 years	Equity and cash	Continued service
Free Share Plan Award Schemes	All employees	3 years	Equity and cash	Continued service
Recruitment Share Award	CEO	3 years	Equity	Continued service and conditional upon Burberry achieving a specified total shareholder return performance by the end of a three-year period

Where applicable, equity swaps have been entered into to cover future employer's national insurance liability (or overseas equivalent) that may arise in respect of these schemes.

The fair value charge relating to Burberry Share Plan (BSP) Award Schemes, ShareSave (SAYE) Schemes, and Free Share Plan Schemes was £12 million, £3 million and £2 million, respectively (last year: £11 million, £2 million and £1 million, respectively). The fair value charge relating to the remaining schemes was £1 million (last year: £2 million).

27. Employee costs continued

Movements during the year

The number and weighted average exercise price (WAEP) of, and movements in, share-based compensation schemes during the year are as follows:

For the 52 weeks ended 29 March 2025:

	Burberry Share Plan (BSP) Award Schemes		Executive Share Plan (ESP) Nil cost Option Schemes		ShareSave (SAYE) Option Schemes		Free Share Plan Award Schemes		Recruitment Share Award	
	Awards	WAEP	Options	WAEP	Options	WAEP	Awards	WAEP	Awards	WAEP
Outstanding at 30 March 2024	**2,252,737**		**149,391**	**–**	**1,451,065**	**£13.45**	**582,029**		**–**	
Granted	**2,664,253**		**–**	**–**	**1,610,987**	**£7.13**	**350,319**		**392,366**	
Forfeited	**(723,984)**		**(6,881)**	**–**	**(1,049,713)**	**£13.43**	**(76,629)**		**–**	
Exercised	**(607,077)**		**(26,987)**	**–**	**(7,638)**	**£11.64**	**(112,322)**		**–**	
Outstanding at 29 March 2025	**3,585,929**		**115,523**	**–**	**2,004,701**	**£8.63**	**743,397**		**392,366**	
Exercise price range			**–**		**£7.13 - £16.72**					
Weighted average remaining contractual life (years)	**1.9**		**–**		**2.7**		**2.6**		**2.3**	
Exercisable at 29 March 2025	**1,198**		**115,523**		**123,228**		**3,093**		**–**	

For the 52 weeks ended 30 March 2024:

	Burberry Share Plan (BSP) Award Schemes		Executive Share Plan (ESP) Nil cost Option Schemes		ShareSave (SAYE) Option Schemes		Free Share Plan Award Schemes		Recruitment Share Award	
	Awards	WAEP	Options	WAEP	Options	WAEP	Awards	WAEP	Awards	WAEP
Outstanding at 1 April 2023	2,261,952		285,906	–	1,224,861	£14.71	573,812		–	
Granted	1,002,553		–	–	781,677	£14.47	223,146		–	
Forfeited	(362,276)		(19,239)	–	(510,636)	£15.15	(88,525)		–	
Exercised	(649,492)		(117,276)	–	(44,837)	£15.49	(126,404)		–	
Outstanding at 30 March 2024	2,252,737		149,391	–	1,451,065	£13.45	582,029		–	
Exercise price range			–		£12.50 - £16.72					
Weighted average remaining contractual life (years)	1.6		–		1.9		2.4		–	
Exercisable at 30 March 2024	13,620		149,391		320,082		23,672		–	

The weighted average share price at the date of exercise for awards exercised or vested in the period was £8.28 (last year: £20.63).

27. Employee costs continued

Valuation models and key assumptions used

During the year, awards were granted under the BSP Schemes on 30 July 2024, 21 November 2024 and 19 December 2024 at a fair value of £7.63, £8.77, and £9.51, respectively. These values are based on the closing share price of an ordinary share at the date of grant.

The ShareSave (SAYE) Option Schemes have been valued using the Black-Scholes option pricing model and the Recruitment Share Award has been valued using the Monte Carlo pricing model.

The assumptions applied to the options granted in the respective periods are as follows:

SAYE Scheme Black-Scholes	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024
Grant date	**12 December 2024**	14 December 2023
Expected dividend yield (%)	**1.16**	3.95
Expected volatility (%)[1] (3-year/5-year term)	**34.77 / 36.5**	28.93 / 33.2
Risk-free interest rate (%) (3-year/5-year term)	**4.04 / 4.18**	4.10 / 3.95
Expected life of option (years)	**3 / 5**	3 / 5
Weighted average exercise price (£)	**7.12**	12.50
Share price at grant (£)	**9.76**	15.69
Weighted average fair value of options granted (£) (3-year/5-year term)	**3.80 / 4.44**	4.13 / 4.73

Recruitment Share Award Monte Carlo	52 weeks ended 29 March 2025
Grant date	**19 December 2024**
Expected dividend yield (%)	**0.0**
Expected volatility (%)[1]	**36.5**
Risk-free interest rate (%)	**4.3**
Expected life of awards (years)	**4.6**
Discount for post vesting restrictions (%)	**15**
Share price at grant (£)	**9.51**
Weighted average fair value of awards granted (£)	**4.57**

1. Volatility is determined by calculating the historical annualised standard deviation of the market price of Burberry Group plc shares over a period of time, prior to the grant, equivalent to the expected life of the option.

28. Acquisition of subsidiary

On 2 October 2023, Burberry Italy S.R.L., Burberry's wholly-owned subsidiary, acquired a 100% shareholding in Burberry Tecnica, S.R.L., from Italian technical outerwear supplier, Pattern SpA, a company incorporated in Italy, for total cash consideration of £19 million. As a result of the acquisition, net assets of £3 million were acquired and goodwill of £16 million was recognised. There were no adjustments to the acquisition accounting in the 52 weeks to 29 March 2025.

29. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Total compensation in respect of key management, who are defined as the Board of Directors and certain members of senior management, is considered to be a related party transaction.

The total compensation in respect of key management for the year was as follows:

	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Salaries, short-term benefits and social security costs[1]	**6**	7
Share-based compensation (all awards and options settled in shares)	**–**	2
Termination benefits	**1**	–
Total	**7**	9

1. Pension cash allowance is included within salaries, short-term benefits and social security costs.

The Group donates each year to The Burberry Foundation, an independent charity which meets the criteria to be reported as a related party in accordance with IFRS. Charitable donations to The Burberry Foundation for the 52 weeks to 29 March 2025 were £4 million (last year: £2 million).

There were no other material related party transactions in the year.

30. Subsidiary undertakings and investments

In accordance with Section 409 of the Companies Act 2006, a full list of related undertakings as at 29 March 2025, including their country of incorporation and percentage share ownership, is disclosed below. Unless otherwise stated, all undertakings are indirectly owned by Burberry Group plc and operate in the country of incorporation. All the subsidiary undertakings have been consolidated as at 29 March 2025.

Company name	Country/territory of incorporation	Interest	Holding (%)	Registered office
Burberry Pacific Pty Ltd	Australia	Ordinary shares	100	1
Burberry (Austria) GmbH	Austria	Ordinary shares	100	2
Sandringham Bahrain W.L.L.[1]	Bahrain	Ordinary shares	100	3
Burberry Antwerp NV	Belgium	Ordinary shares	100	4
Burberry Brasil Comércio de Artigos de Vestuário e Acessórios Ltda	Brazil	Quota	100	5
Burberry Canada Inc	Canada	Common shares	100	6
Burberry (Shanghai) Trading Co., Ltd	Mainland China	Equity interest	100	7
Burberry Czech Rep s.r.o.	Czech Republic	Ordinary shares	100	8
Burberry France SASU	France	Ordinary shares	100	9
Burberry (Deutschland) GmbH	Germany	Ordinary shares	100	10
Burberry Asia Holdings Limited	Hong Kong S.A.R., China	Ordinary shares	100	11
Burberry China Holdings Limited	Hong Kong S.A.R., China	Ordinary shares	100	11
Burberry Asia Limited	Hong Kong S.A.R., China	Ordinary shares	100	12
Burberry Hungary Kereskedelmi Korlátolt Felelősségű Társaság	Hungary	Ordinary shares	100	13
Burberry India Private Limited	India	Ordinary shares	51	14
Burberry Ireland Investments Unlimited Company	Ireland	Ordinary A shares Ordinary B shares	100 100	15
Burberry Ireland Limited	Ireland	Ordinary shares	100	16
Burberry Italy (Rome) S.R.L.	Italy	Quota	100	17
Burberry Italy S.R.L.[2]	Italy	Quota	100	17
Burberry Tecnica S.R.L.	Italy	Quota	100	18
Burberry Manifattura S.R.L.	Italy	Quota	100	19
Burberry Japan K.K.	Japan	Ordinary shares	100	20
Burberry Kuwait General Trading Textiles and Accessories Company W.L.L.[3]	Kuwait	Capital units	49	21
Burberry Macau Limited	Macau S.A.R., China	Quota	100	22
Burberry (Malaysia) Sdn. Bhd.	Malaysia	Ordinary shares	100	23
Horseferry México S.A. de C.V.	Mexico	Ordinary (fixed) shares Ordinary (variable) shares	100 100	24
Horseferry México Servicios Administrativos, S.A. de C.V.	Mexico	Ordinary (fixed) shares	100	24
Burberry Netherlands B.V.	Netherlands	Ordinary shares	100	25
Burberry New Zealand Limited	New Zealand	Ordinary shares	100	26
Burberry Qatar W.L.L.[3]	Qatar	Ordinary shares	49	27
Burberry Korea Limited	Republic of Korea	Common stock	100	28
Burberry Retail LLC[4]	Russian Federation	Participatory share	100	29
Burberry Saudi Company Limited	Kingdom of Saudi Arabia	Ordinary shares	100	30
Burberry (Singapore) Distribution Company PTE Ltd	Singapore	Ordinary shares	100	31
Burberry (Spain) Retail S.L.	Spain	Ordinary shares	100	32
Burberry (Suisse) SA[2]	Switzerland	Ordinary shares	100	33
Burberry (Taiwan) Co., Ltd	Taiwan Area, China	Common shares	100	34
Burberry (Thailand) Limited	Thailand	Common shares	100	35

30. Subsidiary undertakings and investments continued

Company name	Country of incorporation	Interest	Holding (%)	Registered office
Burberry Turkey Giyim Toptan Ve Perakende Satış Limited Şirketi	Turkey	Ordinary shares	100	36
Burberry FZ-LLC	United Arab Emirates	Ordinary shares	100	37
Burberry Middle East LLC[3]	United Arab Emirates	Ordinary shares	49	38
Burberry (Espana) Holdings Limited	United Kingdom	Ordinary shares	100	39
Burberry (No. 7) Unlimited	United Kingdom	Ordinary shares	100	39
Burberry (UK) Limited	United Kingdom	Ordinary shares	100	39
Burberry Europe Holdings Limited[2]	United Kingdom	Ordinary shares	100	39
Burberry Finance Limited[5]	United Kingdom	Ordinary shares	100	39
Burberry Haymarket Limited[2]	United Kingdom	Ordinary shares	100	39
Burberry Holdings Limited	United Kingdom	Ordinary shares	100	39
Burberry International Holdings Limited[2]	United Kingdom	Ordinary shares	100	39
Burberry Latin America Limited[5]	United Kingdom	Ordinary shares	100	39
Burberry Limited	United Kingdom	Ordinary shares	100	39
Burberry London Limited	United Kingdom	Ordinary shares	100	39
Burberrys Limited[2]	United Kingdom	Ordinary shares	100	39
Sweet Street Developments Limited[5]	United Kingdom	Ordinary shares	100	39
The Scotch House Limited[2, 5]	United Kingdom	Ordinary shares	100	39
Thomas Burberry Holdings Limited[2]	United Kingdom	Ordinary shares	100	39
Thomas Burberry Limited[2, 5]	United Kingdom	Ordinary shares	100	39
Woodrow-Universal Limited[2, 5]	United Kingdom	Ordinary shares	100	39
Woodrow-Universal Pension Trustee Limited[2, 5]	United Kingdom	Ordinary shares	100	39
Burberry (Wholesale) Limited	United States	Class X common stock	100	40
		Class Y common stock	100	
Burberry Limited	United States	Class X common stock	100	40
		Class Y common stock	100	
Burberry North America, Inc.	United States	Common stock	100	41

1. The Group has an indirect holding of 100% of the issued share capital through a nominee.
2. Held directly by Burberry Group plc.
3. The Group has a 100% share of profits of Burberry Middle East LLC as well as a 100% and majority share of profits in Burberry Middle East LLC's subsidiaries in Kuwait and Qatar respectively. The Group has the power to control these companies under the agreements relating to Burberry Middle East LLC.
4. Burberry Retail LLC's stores have been closed since March 2022.
5. This subsidiary will take the audit exemption allowed under Section 479A of the Companies Act 2006 for the year ended 29 March 2025.

30. Subsidiary undertakings and investments continued

Ref	Registered office address
1	Level 5, 343 George Street, Sydney, NSW 2000, Australia
2	Kohlmarkt 2, 1010 Wien, Austria
3	Building 2758, Flat no. 1081, Road 4650, Block 346, Manama/Sea Front, Bahrain
4	Waterloolaan 16, 1000, Brussels, Belgium
5	City of São Paulo, State of São Paulo, at Rua do Rocio, 350, 3rd Pavement of Condominium Atrium IX, suites No. 32, 28th subdistrict, Vila Olímpia, CEP 04552-000, Brazil
6	100 King Street West, 1 First Canadian Place, Suite 1600, Toronto ON M5X 1G5, Canada
7	60th Floor (Actual Floor No.53), Wheelock Square, No. 1717 Nanjing West Road, Jing'an Districts, Shanghai 200040, People's Republic of China
8	Praha 1, Pařížská 11/67, PSČ 11000, Czech Republic
9	56A rue du Faubourg Saint-Honoré, 75008, Paris, France
10	Königsallee 50, 40212, Düsseldorf, Germany
11	Flat /RM 2201-02 & 09-14, 22/F Devon House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
12	RM 01-02 & 09-14, 22/F Devon House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
13	H-1068 Budapest Dózsa György út 84. B, Hungary
14	10th Floor, International Trade Tower, Nehru Place, New Delhi, South East Delhi, Delhi 110019, India
15	One Spencer Dock, North Wall Quay, Dublin 1, Ireland
16	One Spencer Dock, North Wall Quay, Dublin 1, Ireland
17	Via Manzoni n.20, CAP, 20121, Milano, Italy
18	Via Italia 6/A, 10093 Collegno (TO), Italy
19	Via delle Fonti n.10, 50018 Scandicci, Italy
20	5-14 Ginza 2-chome, Chuo-ku, Tokyo, Japan
21	Hawally, Block 8, Street 276, Plot 9301, Unit No 12, Floor 7, Kuwait
22	MacauShop Unit 1202 on Mezzanine Level and Shop Unit 2812 on Level 2 in Shoppes at Four Seasons, Estrada Da Baía De N. Senhora De Esperança, S/N, Taipa, Macau
23	43-2, Plaza Damansara, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia
24	Edgar Allan Poe 85-B, Col. Polanco, Delg. Miguel Hidalgo, Mexico City, 11560, Mexico
25	Pieter Cornelisz. Hooftstraat 50 H, 1071CA Amsterdam, Netherlands
26	Level 20, HSBC Tower, 188 Quay Street, Auckland, 1010, New Zealand
27	First Floor, Building No. 660, Street no. 364, Al Waab, Zone No.54A, Al Marikh, Al Rayyan Municipality South, Doha, Qatar
28	459, Dosan-daero, Gangnam-gu, Seoul, Republic of Korea
29	Ulitsa Petrovka, 16, floor 3, Premise I, rooms 47-53, 127051, Moscow, Russian Federation
30	1st Floor, Building No. 7235, Al Olaya Street, 2392 Al Olya District Riyadh 12244, Kingdom of Saudi Arabia
31	391B Orchard Road, #15-02/03, Ngee Ann City, 238874, Singapore
32	Passeig de Gràcia, 56, 08007, Barcelona, Spain
33	Route de Chêne 30A, c/o L&S Trust Services SA, 1208 Genève, Switzerland
34	5F. No 451 Changchun Rd, Songshan Dist, Taipei City 10547, Taiwan
35	No.127 Office 25.03; Level 25; Gaysorn Tower; Ratchadamri Road, Lumpini Sub-District; Pathumwan District; 10330 Bangkok; Thailand
36	Reşitpaşa Mahallessi Eski Büyükdere Cad. Windowist Tower Sit. No: 26/1 Sariyer/Istanbul, Turkey
37	Dubai Design District, Premises:, 312, 313, 314 & 315, Floor: 03, Building: 08, Dubai Design District, United Arab Emirates
38	Dubai Design District, Building 8, Level 3, Unit no 314 and 315 PO Box 83916, Dubai, United Arab Emirates
39	Horseferry House, Horseferry Road, London, SW1P 2AW, United Kingdom
40	Corporation Service Company, 80 State Street, Albany, NY, 12207-2543, USA
41	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, USA

31. Contingent liabilities

The Group is subject to claims against it and to tax audits in a number of jurisdictions which arise in the ordinary course of business. These typically relate to Value Added Taxes, sales taxes, customs duties, corporate taxes, transfer pricing, payroll taxes, various contractual claims, legal proceedings and other matters. Where appropriate, the estimated cost of known obligations has been provided in these financial statements in accordance with the Group's accounting policies. The Group does not expect the outcome of current similar contingent liabilities to have a material effect on the Group's financial position.

FIVE-YEAR SUMMARY (UNAUDITED)

To end of year **Revenue by channel**	2021 £m	2022 £m	2023 £m	2024 £m	**2025 £m**
Retail	1,910	2,273	2,501	2,400	**2,076**
Wholesale	396	512	543	506	**319**
Retail/Wholesale	2,306	2,785	3,044	2,906	**2,395**
Licensing	38	41	50	62	**66**
Total revenue	2,344	2,826	3,094	2,968	**2,461**
Profit by channel	£m	£m	£m	£m	£m
Retail/Wholesale[1]	361	486	587	359	**(36)**
Licensing	35	37	47	59	**62**
Adjusted operating profit[1]	396	523	634	418	**26**
Segmental analysis of adjusted profit[1]	%	%	%	%	%
Retail/Wholesale gross margin	69.5	70.2	70.0	67.0	**61.5**
Retail/Wholesale operating expenses as a percentage of sales	53.8	52.7	50.7	54.6	**63.0**
Retail/Wholesale operating margin	15.7	17.5	19.3	12.4	**(1.5)**
Licensing operating margin	90.8	90.2	91.9	94.0	**93.8**
Adjusted operating profit margin	16.9	18.5	20.5	14.1	**1.0**
Summary profit analysis	£m	£m	£m	£m	£m
Adjusted operating profit[1]	396	523	634	418	**26**
Net finance expense[1]	(30)	(31)	(21)	(35)	**(63)**
Adjusted profit/(loss) before taxation[1]	366	492	613	383	**(37)**
Adjusting items	124	19	21	–	**(29)**
Profit/(loss) before taxation	490	511	634	383	**(66)**
Taxation	(114)	(114)	(142)	(112)	**(9)**
Non-controlling interest	–	(1)	(2)	(1)	**–**
Attributable profit/(loss)	376	396	490	270	**(75)**
Retail/Wholesale revenue by product division	£m	£m	£m	£m	£m
Accessories	841	1,017	1,125	1,055	**841**
Womenswear	653	784	867	860	**718**
Menswear	668	807	868	842	**732**
Childrenswear and other	144	177	184	149	**104**
Retail/Wholesale revenue by destination	£m	£m	£m	£m	£m
Asia Pacific	1,203	1,276	1,297	1,286	**1,043**
EMEIA[2]	628	813	1,004	1,017	**842**
Americas	475	696	743	603	**510**
Financial KPIs	%	%	%	%	%
Total revenue growth[3]	-10	+23	+5	–	**-15**
Comparable store sales growth[3]	-9	+18	+7	-1	**-12**
Adjusted operating profit growth[1,3]	-8	+38	+8	-25	**-88**
Adjusted operating profit margin[1]	16.9	18.5	20.5	14.1	**1.0**
Adjusted diluted EPS growth[1]	-14	+40	+30	-40	**-120**
Adjusted Group return on invested capital (ROIC)[1]	17.0	24.6	28.6	15.3	**1.0**

1. Excludes the impact of adjusting items. Refer to note 2r for the Group's policy on adjusting items.
2. EMEIA comprises Europe, Middle East, India and Africa.
3. Growth rate is year-on-year underlying change, i.e. at constant exchange rates.

To end of year **Earnings and dividends**	2021 pence per share	2022 pence per share	2023 pence per share	2024 pence per share	**2025** **pence** **per share**
Adjusted earnings/(loss) per share – diluted[1]	67.3	94.0	122.5	73.9	**(14.8)**
Earnings/(loss) per share – diluted	92.7	97.7	126.3	73.9	**(20.9)**
Diluted weighted average number of ordinary shares (millions)	405.1	404.8	388.0	366.2	**358.4**
Dividend per share					
Interim	–	11.6	16.5	18.3	**–**
Final	42.5	35.4	44.5	42.7	**–**

To end of year **Net cash flow**	2021 £m	2022 £m	2023 £m	2024 £m	**2025** **£m**
Adjusted profit/(loss) before tax	366	492	613	383	**(37)**
Adjusting items	124	19	21	–	**(29)**
Profit/(loss) before taxation	490	511	634	383	**(66)**
Depreciation and amortisation	277	313	344	379	**413**
Employee share scheme costs	12	16	19	16	**18**
Net finance expense	31	32	23	35	**63**
Decrease/(increase) in inventories	21	(22)	(10)	(57)	**80**
Decrease/(increase) in receivables	(39)	(5)	(17)	(32)	**36**
Increase/(decrease) in payables and provisions	(7)	81	(49)	(77)	**(41)**
Other cash items	(1)	–	–	–	**–**
Other non-cash items	(107)	(17)	(32)	18	**23**
Cash flow from operations	677	909	912	665	**526**
Net interest	(27)	(30)	(22)	(20)	**(54)**
Tax paid	(58)	(180)	(140)	(139)	**(43)**
Net cash flow from operations	592	699	750	506	**429**
Capital expenditure	(115)	(161)	(179)	(208)	**(151)**
Proceeds from disposal of non-current assets	27	8	32	–	**12**
Payment of lease principal and related cash flows	(155)	(206)	(210)	(235)	**(225)**
Free cash flow	349	340	393	63	**65**
Acquisitions	(4)	(10)	(6)	(19)	**(2)**
Dividends	–	(219)	(203)	(233)	**(152)**
Purchase of shares through share buyback	–	(153)	(404)	(402)	**–**
Proceeds from borrowings	595	–	–	–	**439**
Repayment of borrowings	(600)	–	–	–	**–**
Other	2	(4)	2	1	**–**
Exchange difference	(13)	7	2	(9)	**(4)**
Total movement in net cash	329	(39)	(216)	(599)	**346**
Net cash	1,216	1,177	961	362	**708**

1. Excludes the impact of adjusting items. Refer to note 2r for the Group's policy on adjusting items.

At end of year Balance Sheet	2021 £m	2022 £m	2023 £m	2024 £m	**2025 £m**
Intangible assets	237	240	248	267	**229**
Property, plant and equipment	280	322	376	406	**398**
Right-of-use assets	818	880	950	1,013	**867**
Inventories	402	426	447	507	**424**
Trade and other receivables	322	328	359	392	**357**
Trade and other payables	(492)	(572)	(553)	(502)	**(459)**
Lease liabilities	(1,020)	(1,058)	(1,123)	(1,188)	**(1,081)**
Taxation (including deferred taxation)	148	221	229	243	**269**
Net cash	1,216	1,177	961	362	**708**
Borrowings	(297)	(298)	(298)	(299)	**(738)**
Other net assets	(54)	(49)	(57)	(47)	**(53)**
Net assets	1,560	1,617	1,539	1,154	**921**

Reconciliation of adjusted Group ROIC	2021 £m	2022 £m	2023 £m	2024 £m	**2025 £m**
Adjusted operating profit[1]	396	523	634	418	**26**
Adjusted profit effective tax rate[1,2]	25.4%	22.2%	22.2%	29.2%	**–**
Adjusted net operating profit after tax[1,2]	295	407	493	296	**20**
Net assets	1,560	1,617	1,539	1,154	**921**
Deduct cash net of overdrafts	(1,216)	(1,177)	(961)	(362)	**(708)**
Add back borrowings	297	298	298	299	**738**
Add back lease debt	1,020	1,058	1,123	1,188	**1,081**
Deduct net tax assets	(148)	(221)	(229)	(243)	**(269)**
Operating assets	1,513	1,575	1,770	2,036	**1,763**
Add back net liabilities related to adjusting items:					
Deferred consideration	17	8	5	5	**3**
Restructuring liabilities/other	127	63	30	23	**27**
Adjusted operating assets[1]	1,657	1,646	1,805	2,064	**1,793**
Average adjusted operating assets[1]	1,736	1,651	1,726	1,935	**1,929**
Adjusted Group ROIC[1]	17.0%	24.6%	28.6%	15.3%	**1.0%**

1. Excludes the impact of adjusting items. Refer to note 2r for the Group's policy on adjusting items.
2. The Group's adjusted effective tax rate for the 52 weeks to 29 March 2025 was -43%. For the purposes of the Group ROIC calculation, the UK effective tax rate of 25% was used.

COMPANY BALANCE SHEET

52 weeks ended 29 March 2025

	Note	As at 29 March 2025 £m	As at 30 March 2024 £m
Fixed assets			
Investments in subsidiaries	D	1,630	1,572
		1,630	1,572
Current assets			
Trade and other receivables – amounts falling due after more than one year	E	623	655
Trade and other receivables – amounts falling due within one year	E	301	–
Derivative assets maturing within one year		1	–
Cash at bank and in hand		–	1
		925	656
Creditors – amounts falling due within one year	F	(107)	(102)
Derivative liabilities maturing within one year		–	(1)
Borrowings	G	(300)	–
Net current assets		518	553
Total assets less current liabilities		2,148	2,125
Creditors – amounts falling due after more than one year	F	(87)	(61)
Borrowings	G	(439)	(299)
Net assets		1,622	1,765
Equity			
Called up share capital	I	–	–
Share premium account		231	231
Capital reserve		1	1
Profit and loss account		1,390	1,533
Total equity		1,622	1,765

Loss for the year was £9 million (last year: profit £732 million). The Directors consider that, at 29 March 2025, £749 million (last year: £732 million) of the profit and loss account is non-distributable.

The financial statements on pages 221 to 230 were approved and authorised for issue by the Board on 13 May 2025 and signed on its behalf by:

Joshua Schulman
Chief Executive Officer

Kate Ferry
Chief Financial Officer

COMPANY STATEMENT OF CHANGES IN EQUITY

52 weeks ended 29 March 2025

	Note	Called up share capital £m	Share premium account £m	Capital reserve £m	Profit and loss account £m	Total equity £m
Balance as at 1 April 2023		–	230	1	1,420	1,651
Profit for the year		–	–	–	732	732
Total comprehensive income for the year		–	–	–	732	732
Employee share incentive schemes						
Equity share awards		–	–	–	16	16
Exercise of share options		–	1	–	–	1
Purchase of own shares						
Share buyback		–	–	–	(402)	(402)
Dividends paid in the year	J	–	–	–	(233)	(233)
Balance as at 30 March 2024		**–**	**231**	**1**	**1,533**	**1,765**
Loss for the year		–	–	–	(9)	(9)
Total comprehensive loss for the year		–	–	–	(9)	(9)
Employee share incentive schemes						
Equity share awards		–	–	–	18	18
Dividends paid in the year	J	–	–	–	(152)	(152)
Balance as at 29 March 2025		**–**	**231**	**1**	**1,390**	**1,622**

A. Basis of preparation

Burberry Group plc (the Company) is the parent Company of the Burberry Group. Burberry Group plc is a public company which is limited by shares and is listed on the London Stock Exchange. The Company's principal business is investment and it is incorporated and domiciled in the UK. The Company is registered in England and Wales and the address of its registered office is Horseferry House, Horseferry Road, London, SW1P 2AW. The Company is the sponsoring entity of The Burberry Group plc ESOP Trust and The Burberry Group plc SIP Trust (collectively known as the ESOP trusts). These financial statements have been prepared by including the ESOP trusts within the financial statements of the Company. The purpose of the ESOP trusts is to purchase shares of the Company in order to satisfy Group share-based payment arrangements.

Burberry Group plc and its subsidiaries (the Group) is a global luxury goods manufacturer, retailer and wholesaler. The Group also licenses third parties to manufacture and distribute products using the 'Burberry' trademarks. All of the companies which comprise the Group are controlled by the Company directly or indirectly. The consolidated financial statements of the Group have been prepared in accordance with the requirements of the Companies Act 2006 and UK-adopted International Accounting Standards. These consolidated financial statements have been prepared for public use and can be obtained at Horseferry House, Horseferry Road, London, SW1P 2AW.

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by derivative financial assets and derivative financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006. As permitted by Section 408 of the Companies Act 2006, the Company has not presented its own Income Statement.

The preparation of the financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (refer to note C).

Financial Reporting Standard 101 – reduced disclosure exemptions

The Company has taken advantage of the applicable disclosure exemptions permitted by FRS 101 in the financial statements, which are summarised below:

Standard	Disclosure exemption
IFRS 2, Share-based Payments	• para 45(b) – disclosure of number and weighted average exercise price of share options • para 46-49 – disclosure of valuation techniques and inputs used for fair value measurement of options • para 50-52 – disclosure of the effect of share-based payment transactions on the entity's profit and loss for the period.
IFRS 7, Financial Instruments: Disclosures	• Full exemption
IFRS 13, Fair Value Measurement	• para 91-99 – disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities
IAS 1, Presentation of the Financial Statements	• para 10(d) – statement of cash flows • para 10(f) – a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective statement of items in its financial statements, or when it reclassifies items in its financial statements • para 16 – statement of compliance with all IFRS • para 38 – present comparative information in respect of paragraph 79(a)(iv) of IAS 1 • para 38A – requirement for minimum of two primary statements, including cash flow statements • para 38B-D – additional comparative information • para 111 – cash flow statement information • para 134-136 – capital management disclosures
IAS 7, Statement of Cash Flows	• Full exemption
IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors	• para 30-31 – requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective
IAS 24, Related Party Disclosures	• para 17 – key management compensation • The requirements to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
IAS 36, Impairment of Assets	• para 134(d)-134(f) and 135(c)-135(e)

A. Basis of preparation continued

Going concern

The Company financial statements are prepared on a going concern basis as set out in note 1 of the Group consolidated financial statements of Burberry Group plc.

New standards, amendments and interpretations adopted in the period

A number of new amendments to standards are effective for the 52 weeks to 29 March 2025, but they do not have a material impact on the financial statements of the Company.

Standards not yet adopted

Certain new accounting standards and amendments to standards have been published that are not yet mandatory for the 52 weeks to 29 March 2025 and have not been early adopted by the Company as set out in note 1 of the Group consolidated financial statements of Burberry Group plc.

B. Accounting policies

The following material accounting policies have been applied in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated:

Share schemes

The Group operates a number of equity-settled share-based compensation schemes under which services are received from employees (including Executive Directors) as consideration for equity instruments of the Company. Instruments used include awards and options. The cost of the share-based incentives is measured with reference to the fair value of the equity instruments awarded at the date of grant. Appropriate option pricing models, including Black-Scholes, are used to determine the fair value of the option awards made.

The fair value takes into account the impact of any market performance conditions, but the impact of non-market performance conditions is not considered in determining the fair value on the date of grant. Vesting conditions which relate to non-market conditions are allowed for in the assumptions used for the number of share awards or options expected to vest. The estimate of the number of options expected to vest is revised at each balance sheet date.

In some circumstances, employees may provide services in advance of the grant date. The grant date fair value is estimated for the purpose of recognising the expense during the period between the service commencement period and the grant date.

The grant by the Company of share awards or options over its equity instruments to employees of subsidiary undertakings in the Group is treated as a capital contribution. In the Company's financial statements, the cost of the share-based incentives is recognised over the vesting period of the awards as an increase in investment in subsidiary undertakings, with a corresponding increase in equity. Where amounts are received from Group companies in relation to equity instruments granted to the employees of the subsidiary undertaking, the amount is derecognised from investments in Group companies.

When share awards or options are exercised, they are settled either via issue of new shares in the Company, or through shares held in the ESOP trusts, depending on the terms and conditions of the relevant scheme. For new shares issued, the proceeds received from the exercise of share options, net of any directly attributable transaction costs, are credited to share capital and share premium accounts. When ESOP shares are used, any difference between the exercise price and their cost is recognised in retained earnings.

Dividend distribution

Dividend distributions to Burberry Group plc's shareholders are recognised as a liability in the year in which the dividend becomes a committed obligation. Final dividends are recognised when they are approved by the shareholders. Interim dividends are recognised when paid.

Investments in subsidiaries

Investments in subsidiaries are stated at cost, less any provisions to reflect impairment in value.

Impairment of investments in subsidiaries

Investments in subsidiaries are not subject to amortisation and are tested annually for impairment. An impairment loss is recognised for the amount by which the carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash generating units). Investments for which an impairment has been previously recognised are reviewed for possible reversal of impairment at each reporting date.

B. Accounting policies continued

Taxation

Tax expense represents the sum of the current tax expense and the deferred tax charge.

Current tax is based on taxable profit for the year. Taxable profit differs from net profit because it excludes items of income or expense which are taxable or deductible in other years and it further excludes items which are never taxable or deductible. The current tax liability is calculated using tax rates which have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised, using the liabilities method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the temporary difference arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences, no deferred tax will be recognised. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Financial instruments

A financial instrument is initially recognised at fair value on the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument. A financial asset is derecognised when the contractual rights to the cash flow expire or substantially all risks and rewards of the asset are transferred. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

At initial recognition, all financial liabilities are stated at fair value. Subsequent to initial recognition, all financial liabilities are stated at amortised cost using the effective interest rate method, except for derivatives which are held at fair value and which are classified as fair value through profit and loss. Financial assets are classified as either amortised cost or fair value through profit and loss depending on their cash flow characteristics. Assets with cash flows that solely represent payments of principal and interest are measured at amortised cost. The fair value of the financial assets and liabilities held at amortised cost approximate their carrying amount due to the use of market interest rates.

The Company classifies its instruments in the following categories:

Financial instrument category	Note	Classification	Measurement
Cash and cash equivalents		Amortised cost	Amortised cost
Trade and other receivables	E	Amortised cost	Amortised cost
Trade and other payables	F	Other financial liabilities	Amortised cost
Borrowings	G	Other financial liabilities	Amortised cost
Equity swap contracts		Fair value through profit and loss	Fair value through profit and loss

The Company's primary categories of financial instruments are listed below:

Cash at bank and in hand

On the Balance Sheet, cash at bank and in hand comprises cash held with banks. Cash at bank and in hand held at amortised cost is subject to impairment testing each period end.

Trade and other receivables

Trade and other receivables are included in current assets. Trade and other receivables with maturities greater than 12 months after the balance sheet date are classified in trade and other receivables amounts falling due after more than one year. The assessment of maturities of loan receivables takes into consideration any intention to renew the loan, where the loan is provided under a facility which has a maturity of more than 12 months from the balance sheet date. Most receivables are held with the objective to collect the contractual cash flows and are therefore initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for the expected loss on receivables is established at inception. This is modified when there is a change in the credit risk. The amount of the movement in the provision is recognised in the Income Statement.

Trade and other payables

Trade and other payables are included in current liabilities, except for maturities greater than 12 months after the balance sheet date. Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

B. Accounting policies continued

Financial instruments continued

Borrowings

Borrowings are initially recognised at fair value, inclusive of transaction costs incurred. Borrowings are subsequently stated at amortised cost and the difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest rate method.

Derivative instruments

The Company uses equity swap contracts to economically hedge its exposure to fluctuations in the Company's share price which impacts the social security costs payable by Group companies in relation to share-based compensation schemes.

The equity swap contracts are initially recognised at fair value at the trade date and classified as fair value through profit and loss. All subsequent changes in fair value are recognised in the Income Statement up to the maturity date.

Cash-settled equity swaps are classified as fair value through profit and loss.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in sterling which is the Company's functional and presentation currency.

Transactions in foreign currencies

Transactions denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are held at the year end, are translated into the functional currency at the exchange rate ruling at the balance sheet date (closing rate). Exchange differences on monetary items are recognised in the Income Statement in the period in which they arise.

Called up share capital

Called up share capital is classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, is deducted from equity attributable to owners of the Company until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is credited to retained earnings up to the value of the consideration originally paid. Any additional consideration received is credited to the share premium account included in equity attributable to owners of the Company.

C. Key sources of estimation uncertainty and judgements

Key sources of estimation uncertainty

Preparation of the financial statements in conformity with FRS 101 requires that management make certain estimates and assumptions that affect the reported revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on management's best estimates at the date of the financial statements, deviate from actual circumstances, the original estimates and assumptions will be updated as appropriate in the period in which the circumstances change.

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas where estimates and assumptions applied have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are discussed below. Further details of the Company's accounting policies in relation to these areas are provided in note B.

Impairment of investments in subsidiaries

Investments in subsidiaries are not subject to amortisation and are tested annually for impairment. When a review for potential impairment is conducted, the recoverable amount is determined based on the higher of an investment's fair value less costs to sell and value-in-use calculations prepared on the basis of management's assumptions and estimates. Estimates are also applied as to whether or not to reverse certain investment impairments. Management has taken the view that impairment charge is appropriate for the investments in Burberrys Limited and Burberry Italy S.R.L, given the Balance Sheet at 29 March 2025, performance during the year and the present value of future cashflows. Refer to note D for further details of investments.

Key sources of estimation uncertainty and judgements continued

Key judgements in applying the Company's accounting policies

Judgements are those decisions made when applying accounting policies which have a significant impact on the amounts recognised in the Company's financial statements. Further details of the Company's accounting policies are provided in note B. There were no key judgements arising in the current year or prior year that have a significant impact on the amounts recognised in the Company's financial statements for the 52 weeks to 29 March 2025 and 30 March 2024.

D. Investments in subsidiaries

	£m
As at 30 March 2024	1,572
Additions	65
Impairment charges	(7)
As at 29 March 2025	**1,630**

The Company has reviewed the recoverable value of its investments to identify if there is any indication of impairment of the carrying value. Where applicable, the value in use has been estimated using management's best estimates of future cash generation of its investments.

The Company has not impaired the carrying value of its investments, apart from a £3 million impairment charge in relation to Burberrys Limited and a £4 million charge in relation to Burberry Italy S.R.L, as their cash generation in the long-term is not considered sufficient to support the carrying value. In the current year, the impairment charge is not subject to a high level of estimation uncertainty. The subsidiary undertakings and investments of the Burberry Group are listed in note 30 of the Group financial statements.

E. Trade and other receivables

	As at 29 March 2025 £m	As at 30 March 2024 £m
Amounts owed by Group companies	**622**	654
Prepayments	**1**	1
Trade and other receivables – amounts falling due after more than one year	**623**	655
Amounts owed by Group companies	**300**	–
Prepayments	**1**	–
Trade and other receivables – amounts falling due within one year	**301**	–
Total trade and other receivables	**924**	655

All amounts owed by Group companies are interest bearing and unsecured.

Included within amounts owed by Group companies falling due after more than one year are interest bearing loans receivable of £457 million with a facility maturity date of 20 June 2030, and £165 million with a facility maturity date of 22 February 2029. The interest rates applied to these loans are 5.75% and SONIA +0.9%, respectively.

Included within amounts owed by Group companies falling due within one year are interest bearing loans receivable of £300 million with a facility maturity date of 21 September 2025. The interest rates applied to this loan is 1.125%.

The Company's impairment policies and the calculation of the loss allowances under IFRS 9 are detailed in note H.

F. Creditors

	As at 29 March 2025 £m	As at 30 March 2024 £m
Amounts owed to Group companies	87	61
Creditors – amounts falling due after more than one year	**87**	**61**

	As at 29 March 2025 £m	As at 30 March 2024 £m
Amounts owed to Group companies	99	102
Other payables[1]	8	–
Creditors – amounts falling due within one year	**107**	**102**
Total creditors	**194**	**163**

1. Other payables comprise interest.

Amounts owed to Group companies falling due after more than one year include interest bearing loans of £87 million (last year: £61 million). The interest rate earned is set annually and was based on SONIA +0.9% at the most recent update. The loans are unsecured and repayable on 17 June 2029.

Amounts owed to Group companies falling due within one year include interest bearing loans of £62 million repayable on 17 June 2025 (last year: £73 million). The interest rate earned is set annually and was based on EURIBOR + 0.9%. The remaining amounts of £37 million are unsecured, interest free and repayable on demand (last year: £29 million).

G. Borrowings

		As at 29 March 2025		As at 30 March 2024	
	Maturity	Carrying value £m	Fair value £m	Carrying value £m	Fair value £m
1.125% £300m MTN Sustainability-linked bond[1]	Sep 2025	300	294	299	281
5.75% £450m MTN Fixed rate bond[2]	Jun 2030	439	443	–	–
Total		739	737	299	281

1. Proceeds from the sustainability bond have been used by the Group to finance projects which support the Group's sustainability agenda. There are no financial penalties for not using the proceeds as anticipated. Interest on the sustainability bond is payable semi-annually.
2. The proceeds from the bond were £439m, all other movements on the bond were non cash. The Group has entered into interest rate swaps to reduce the level of fixed rate debt in accordance with the Group Treasury Policy, and has entered the swaps into fair value hedge relationships with the bond. Interest on the bond is payable semi-annually. The interest rate swaps not held in the Company.

The Company has access to the Group's £300 million multi-currency revolving credit facility (RCF) with a syndicate of banks, maturing in November 2027.

During the year, the Group entered into a £75 million multi-currency RCF with a syndicate of banks, maturing in March 2027, which the Company also has access to. The agreement contains an option which will allow the Group to extend for an additional one year which is exercisable in 2026, at the consent of the syndicate.

There were no drawdowns or repayments of the RCFs during the current or prior year, and at 29 March 2025 there were no outstanding drawings.

The Company is in compliance with the financial and other covenants within the facilities above and has been in compliance throughout the financial period.

H. Credit risk

The Company's principal financial instruments comprise cash, borrowings, trade and other receivables and trade and other payables arising directly from operations.

Trade and other receivables

The trade and other receivables balance comprises intercompany loans with companies within the Group. These Group companies are assessed at each reporting date as to their ability to repay outstanding balances. The amounts owed by Group companies at 29 March 2025 comprise £922 million owed by Burberry Limited, and £nil owed by other Group companies (last year: £654 million owed by Burberry Limited, and £nil owed by other Group companies).

The counterparty credit risk of trade and other receivables is reviewed on a regular basis and assessed for impairment as follows:

At inception the receivable is recorded net of expected 12-month credit losses. If a significant increase in the credit risk occurs during the life, credit losses are recorded in the profit and loss account and the effective interest is calculated using the gross carrying amount of the asset. If a loss event occurs, the effective interest is calculated using the amortised cost of the asset net of any credit losses.

The Company's most significant debtor, Burberry Limited, is the holder of the Burberry brand and the main operating company of the Group. Based on its liquidity and expected cash generation, the expected 12 month credit loss for Burberry Limited trade and other receivables is not considered to be significant. As a result, no impairment has been recorded for amounts owed by Group companies as at 29 March 2025.

Other financial assets

With respect to credit risk arising from other financial assets, which comprise cash and certain other receivables, the Company's exposure to credit risk arises from the default of the counterparty with a maximum exposure equal to the carrying value of these instruments. The Company has policies that limit the amount of credit exposure to any financial institution and only deposits funds with independently rated financial institutions with a minimum rating of 'A', other than where required for operational purposes.

I. Called up share capital

Allotted, called up and fully paid share capital	Number	£m
Ordinary shares of 0.05p (last year: 0.05p) each		
As at 30 March 2024	363,815,743	0.2
Allotted on exercise of options during the year	571	–
As at 29 March 2025	**363,816,314**	**0.2**

The Company has a general authority from shareholders, renewed at each Annual General Meeting, to repurchase a maximum of 10% of its issued share capital. There has been no share buy-back programme in the current period.

During the prior 52 weeks to 30 March 2024, the Company entered into agreements to purchase, at fair value, a total of £400 million of its own shares, excluding stamp duty and fees, through two share buy-back programmes of £200 million each. Both programmes completed during the prior year.

The cost of own shares purchased by the Company, as part of a share buyback programme, is offset against the profit and loss account, as the amounts paid reduce the profits available for distribution by the Company. When shares are cancelled, a transfer is made from the profit and loss account to the capital reserve, equivalent to the nominal value of the shares purchased and subsequently cancelled. In the 52 weeks to 29 March 2025, no shares were cancelled (last year: 20.5 million shares).

As at 29 March 2025, the Company held 4.6 million treasury shares (last year: 5.2 million), with a market value of £37 million (last year: £63 million) based on the share price at the reporting date. The treasury shares held by the Company are related to the share buyback programme completed during the 52 weeks to 2 April 2022. During the 52 weeks to 29 March 2025, 0.6 million treasury shares were transferred to ESOP trusts (last year: 0.9 million). During the 52 weeks to 29 March 2025, no treasury shares were cancelled (last year: none).

The cost of shares purchased by ESOP trusts are offset against the profit and loss account, as the amounts paid reduce the profits available for distribution by the Company. As at 29 March 2025, the cost of own shares held by ESOP trusts and offset against the profit and loss account is £29 million (last year: £34 million). As at 29 March 2025, the ESOP trusts held 1.7 million shares (last year: 1.9 million) in the Company, with a market value of £14 million (last year: £23 million). In the 52 weeks to 29 March 2025, the ESOP trusts and the Company have waived their entitlement to dividends.

J. Dividends

	52 weeks to 29 March 2025 £m	52 weeks to 30 March 2024 £m
Prior year final dividend paid 42.7p per share (last year: 44.5p)	**152**	167
Interim dividend paid £nil per share (last year: 18.3p)	**–**	66
Total	**152**	233

The Directors have elected not to declare an interim or final dividend in respect of the 52 weeks to 29 March 2025 (last year: 42.7p).

K. Financial guarantees

The companies acting as guarantor to the facilities described in note G consist of Burberry Group plc, Burberry Limited, Burberry Asia Limited, Burberry (Wholesale) Limited (US) and Burberry Limited (US). Based on the liquidity and expected cash generation of Burberry Limited, the expected credit loss in respect of these financial guarantees, as at 29 March 2025, is not considered to be significant. As a result, no liability has been recorded (last year: £nil).

A potential liability may arise in the future if one of the Group members defaults on these loan facilities. Each guarantor, including Burberry Group plc, would be liable to cover the amounts outstanding, including principal and interest elements.

L. Audit fees

The Company has incurred audit fees of £0.1 million for the current year which are borne by Burberry Limited (last year: £0.1 million).

M. Employee costs

The Company has no employees and therefore no employee costs are included in these financial statements for the 52 weeks to 29 March 2025 (last year: £nil).

SHAREHOLDER INFORMATION

General shareholder enquiries

Enquiries relating to shareholdings, such as the transfer of Shares, change of name or address, lost share certificates or dividend cheques, should be referred to the Company's registrar at:

Equiniti, Aspect House
Spencer Road, Lancing, West Sussex, BN99 6DA
Website: www.shareview.co.uk
Telephone: +44 (0) 371 384 2839

Managing your shares online

Shareholders and employees can manage their Burberry holdings online by registering with Shareview, a secure online platform provided by Equiniti. Registering is simple and offers a range of benefits, allowing shareholders to:

- Access shareholding information: view your share balance and dividend history and key shareholder details in real time
- Opt for electronic communications: receive shareholder updates, reports, and notifications quickly and securely via email
- Buy and sell shares conveniently through the Equiniti share dealing service
- Update personal details: easily update your address, contact information or banking details to ensure smooth communication and dividend payments
- Secure dividends payments: option to have dividends paid directly into your bank account, avoiding lost or outdated cheques
- Vote online in general meetings: participate in Company decisions by submitting your vote by proxy online in advance

Burberry encourages all shareholders to register for electronic communications, enabling faster and more efficient information sharing while also contributing to environmental sustainability by reducing paper usage, which makes a valuable contribution to our global footprint.

Register at www.shareview.co.uk

American Depositary Receipts

We have a sponsored Level 1 American Depositary Receipt (ADR) programme to enable US investors to purchase ADRs in US dollars. Each ADR represents one Burberry ordinary share.

For queries relating to ADRs in Burberry, please use the following contact details:

Bank of New York Mellon, Shareholder Correspondence
P.O. BOX 43006 Providence, RI 02940-3078, USA
Tel: toll free within the USA: +1 888 269 2377
Tel: international: +1 201 680 6825
Email enquiries: shrrelations@cpushareownerservices.com
Website: www.mybnymdr.com

Website

The investors section of Burberry Group plc's website, Burberryplc.com, contains a wide range of information including:

- Regulatory news
- Share price information
- Dividend history, share analysis and an investment calculator
- Financial results announcements
- Frequently asked questions
- Financial calendar

It is also possible to sign up to receive email alerts for RNS news and press releases relating to Burberry Group plc at wwww.burberryplc.com/alerts.

Duplicate accounts

Shareholders who have more than one account due to inconsistencies in account details may avoid duplicate mailings by contacting Equiniti and requesting the amalgamation of their Burberry share accounts.

Burberry share dealing

Burberry shares can be traded through most banks, building societies or stockbrokers. Equiniti offers a telephone and internet dealing service. Terms and conditions and details of commission charges are available on request.

For telephone dealing, please telephone 0345 603 7037 between 8:00am and 4:30pm, Monday to Friday, and for internet dealing visit www.shareview.co.uk/dealing.

Shareholders will need their reference number, which can be found on their Burberry share certificate.

Annual General Meeting (AGM)

Our AGM will be held at 10:30am on Wednesday 16 July 2025 at Burberry's headquarters at Horseferry House, Horseferry Road, London SW1P 2AW. The Notice of Meeting, which includes details of the business to be conducted at the meeting, is available on our Company website, Burberryplc.com.

The voting results for the 2025 AGM will also be accessible on Burberryplc.com shortly after the meeting.

Our Shareholder Privacy Notice

Please see the Shareholder Privacy Notice on https://www.burberryplc.com/en/investors/shareholder-centre/shareholder-privacy-notice.html for details on how Burberry collects and uses shareholders' personal information.

Dividend information

The ADR local payment date is approximately five business days after the proposed dividend payment date for ordinary shareholders.

Dividends can be paid by BACS directly into a UK bank account, with the dividend confirmation being sent to the shareholder's address. This is the easiest way for shareholders to receive dividend payments and avoids the risk of lost or out-of-date cheques. A dividend mandate form is available from Equiniti or online at www.shareview.co.uk/info/directdividends. If you are a UK taxpayer, please note that you are eligible for a tax-free dividend allowance in each tax year (£500 in the tax year from 6 April 2025 to 5 April 2026). See: www.gov.uk/tax-on-dividends

Any dividends received above this amount will be subject to taxation. Dividends paid on Burberry shares held within pensions and Individual Savings Accounts (ISAs) will continue to be tax-free. Further information can be found at www.gov.uk/tax-on-dividends.

Dividends payable in foreign currencies

Equiniti is able to pay dividends to shareholder bank accounts in over 90 countries worldwide through the Overseas Payment Service. An administrative fee will be deducted from each dividend payment. Further details can be obtained from Equiniti or online at www.shareview.co.uk/info/ops.

Dividend Reinvestment Plan (DRIP)

The DRIP enables shareholders to use their dividends to buy further Burberry shares. Full details of the DRIP can be obtained from Equiniti or online at www.shareview.co.uk/4/Info/Portfolio/Default/en/Home/Shareholders/Pages/ReinvestDividends.aspx.

Electronic communication

Shareholders may at any time choose to receive all shareholder documentation in electronic form via the internet, rather than in paper format. Shareholders who decide to register for this option will receive an email each time a shareholder document is published on the internet. Shareholders who wish to receive documentation in electronic form should register online at www.shareview.co.uk.

Equiniti offers a range of shareholder information and services online at www.shareview.co.uk.

Financial calendar

AGM:	16 July 2025
First quarter trading update:	18 July 2025
Interim results announcement:	November 2025
Third quarter trading update:	January 2026
Preliminary results announcement:	May 2026

Registered office

Burberry Group plc
Horseferry House
Horseferry Road
London SW1P 2AW

Registered in England and Wales
Registered number 03458224

ShareGift

Shareholders with a small number of shares, the value of which makes them uneconomical to sell, may wish to consider donating their shares to charity through ShareGift, a donation scheme operated by The Orr Mackintosh Foundation. A ShareGift donation form can be obtained from Equiniti. Further information is available at www.sharegift.org or by telephone on 020 7930 3737.

Tips on protecting your information

- Keep any documentation that contains your shareholder reference number in a safe place and shred any unwanted documentation
- Inform our registrar, Equiniti, promptly when you change address
- Be aware of dividend payment dates and contact Equiniti if you do not receive your dividend cheque or, better still, make arrangements to have the dividend paid directly into your bank account
- Consider holding your shares electronically in a CREST account via a nominee

Unauthorised brokers (boiler room scams)

Shareholders are advised to be very wary of any unsolicited advice, offers to buy shares at a discount, or offers of free company reports. These are typically from overseas-based 'brokers' who target UK shareholders, offering to sell them what often turn out to be worthless or high-risk shares. These operations are commonly known as boiler rooms. If you receive any unsolicited investment advice, obtain the correct name of the person and organisation, and check that they are properly authorised by the Financial Conduct Authority (FCA) before getting involved. This can be done by visiting www.fca.org.uk/register/.

If you deal with an unauthorised firm, you will not be eligible to receive payment under the Financial Services Compensation Scheme if things go wrong. If you think you have been approached by an unauthorised firm, you should contact the FCA consumer helpline on 0800 111 6768 from the UK, or +44 20 7066 1000 from outside the UK. More detailed information can be found on the FCA website at www.fca.org.uk/consumers/protect-yourself/unauthorised-firms.

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