

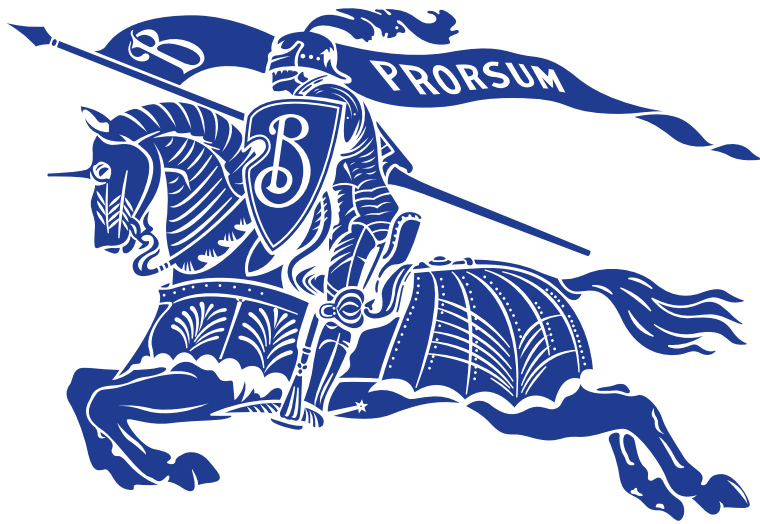


BY APPOINTMENT TO
HIS MAJESTY KING CHARLES III
OUTFITTERS
BURBERRY LIMITED LONDON



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](https://www.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, 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



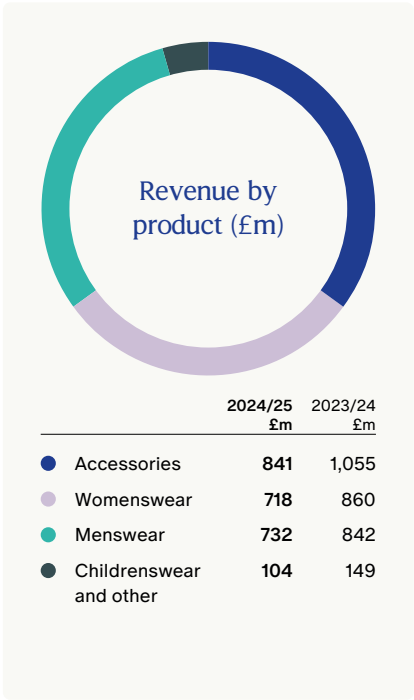
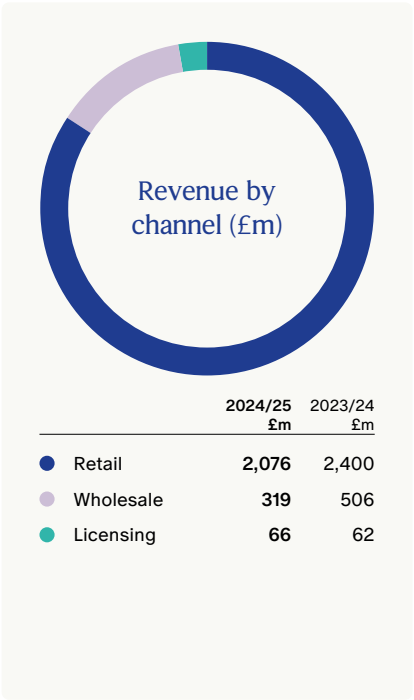
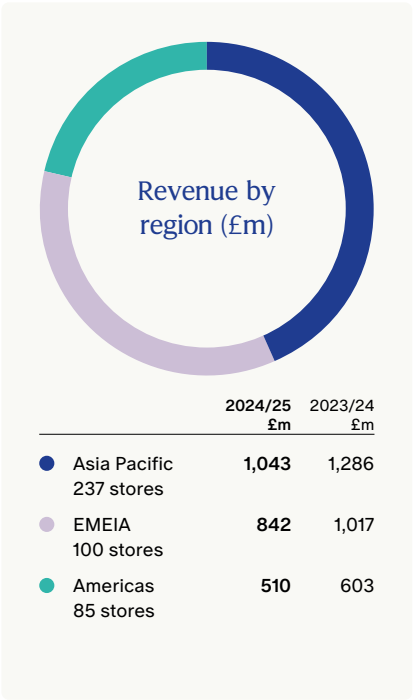
“While we are still early in our transformation,
I am more optimistic than ever that
Burberry’s best days are ahead.”

FY 2024/25 HIGHLIGHTS

Total revenue

£2,461m

(FY 2023/24: £2,968m)





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).

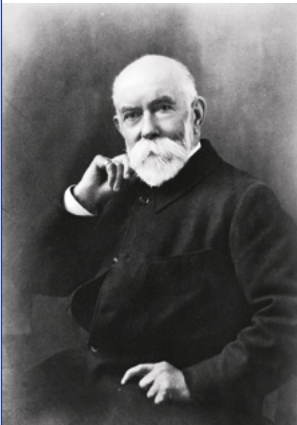
^ This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2024/25 on Burberryplc.com.

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.

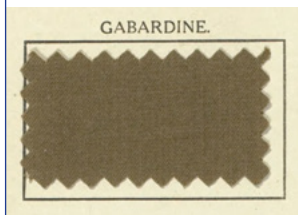
1856

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.



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

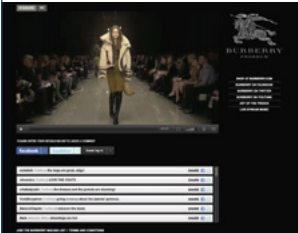
Burberry launches its first transactional website, serving customers in the USA.

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.

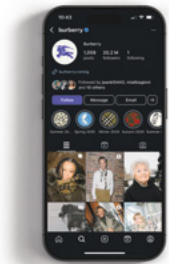
2010

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.



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

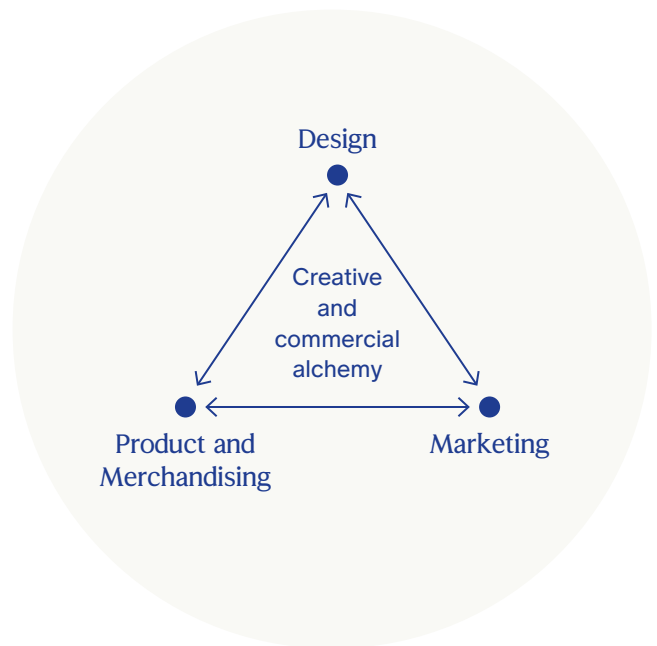
PEOPLE: REIGNITE A HIGH-PERFORMANCE CULTURE

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 executorial 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 territories¹ worldwide. The following is an analysis of recent global market trends and performance for the calendar year ending 31 December 2024.

In 2024², 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 rates⁴. 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.

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





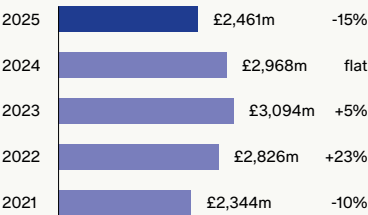
FINANCIAL MEASURES

Revenue growth*

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

Measured by
CER Revenue growth %

-15%



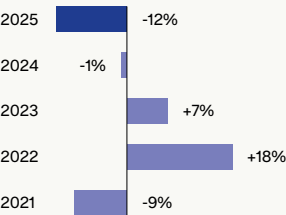
Performance
FY 2024/25 revenue at constant exchange rates declined by 15% in the year.

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%



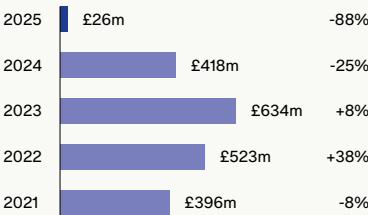
Performance
FY 2024/25 comparable store sales declined by 12% in the year.

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.

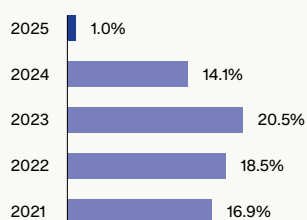
Adjusted operating profit margin

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.

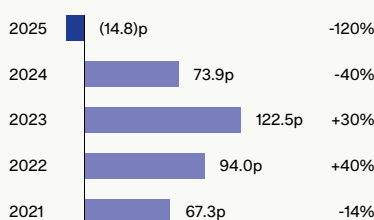
Adjusted diluted EPS growth

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%.

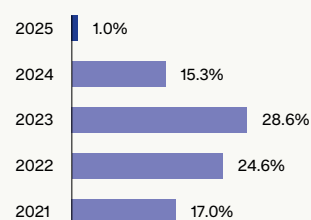
Adjusted Group ROIC

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				Franchise stores
	Stores	Con-cessions	Outlets	Total	
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				Franchise stores
	Stores	Con-cessions	Outlets	Total	
At 29 March 2025					
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 £60 million of savings by FY 2026/27, 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.

APM	Description and purpose	GAAP measure reconciled to																		
Constant Exchange Rates (CER)	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.	Results at reported rates																		
Comparable Sales	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.	<p>Retail Revenue:</p> <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>	Period ended YoY%	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024	Comparable sales	(12%)	(1%)	Change in space	1%	2%	CER retail	(11%)	1%	FX	(2%)	(5%)	Retail revenue	(13%)	(4%)
Period ended YoY%	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024																		
Comparable sales	(12%)	(1%)																		
Change in space	1%	2%																		
CER retail	(11%)	1%																		
FX	(2%)	(5%)																		
Retail revenue	(13%)	(4%)																		
Adjusted Profit	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.	<p>Reported Profit:</p> <p>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.</p>																		
Free Cash Flow	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.	<p>Net cash generated from operating activities:</p> <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>	Period ended £m	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024	Net cash generated from operating activities	429	506	Capex	(151)	(208)	Lease principal and related cash flows	(225)	(235)	Proceeds from disposal of non-current assets	12	–	Free cash flow	65	63
Period ended £m	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024																		
Net cash generated from operating activities	429	506																		
Capex	(151)	(208)																		
Lease principal and related cash flows	(225)	(235)																		
Proceeds from disposal of non-current assets	12	–																		
Free cash flow	65	63																		
Cash Conversion	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.	<p>Net cash generated from operating activities:</p> <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>	Period ended £m	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024	Free cash flow	65	63	Tax paid	43	139	Free cash flow before tax	108	202	Adjusted (loss)/profit before tax	(37)	383	Cash conversion	n/a	53%
Period ended £m	52 weeks ended 29 March 2025	52 weeks ended 30 March 2024																		
Free cash flow	65	63																		
Tax paid	43	139																		
Free cash flow before tax	108	202																		
Adjusted (loss)/profit before tax	(37)	383																		
Cash conversion	n/a	53%																		

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	As at	As at
		£m	29 March 2025	30 March 2024
		Cash net of overdrafts	708	362
		Lease liability	(1,081)	(1,188)
		Borrowings	(738)	(299)
		Net debt	(1,111)	(1,125)
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	52 weeks ended	52 weeks ended
		£m	29 March 2025	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.



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.”

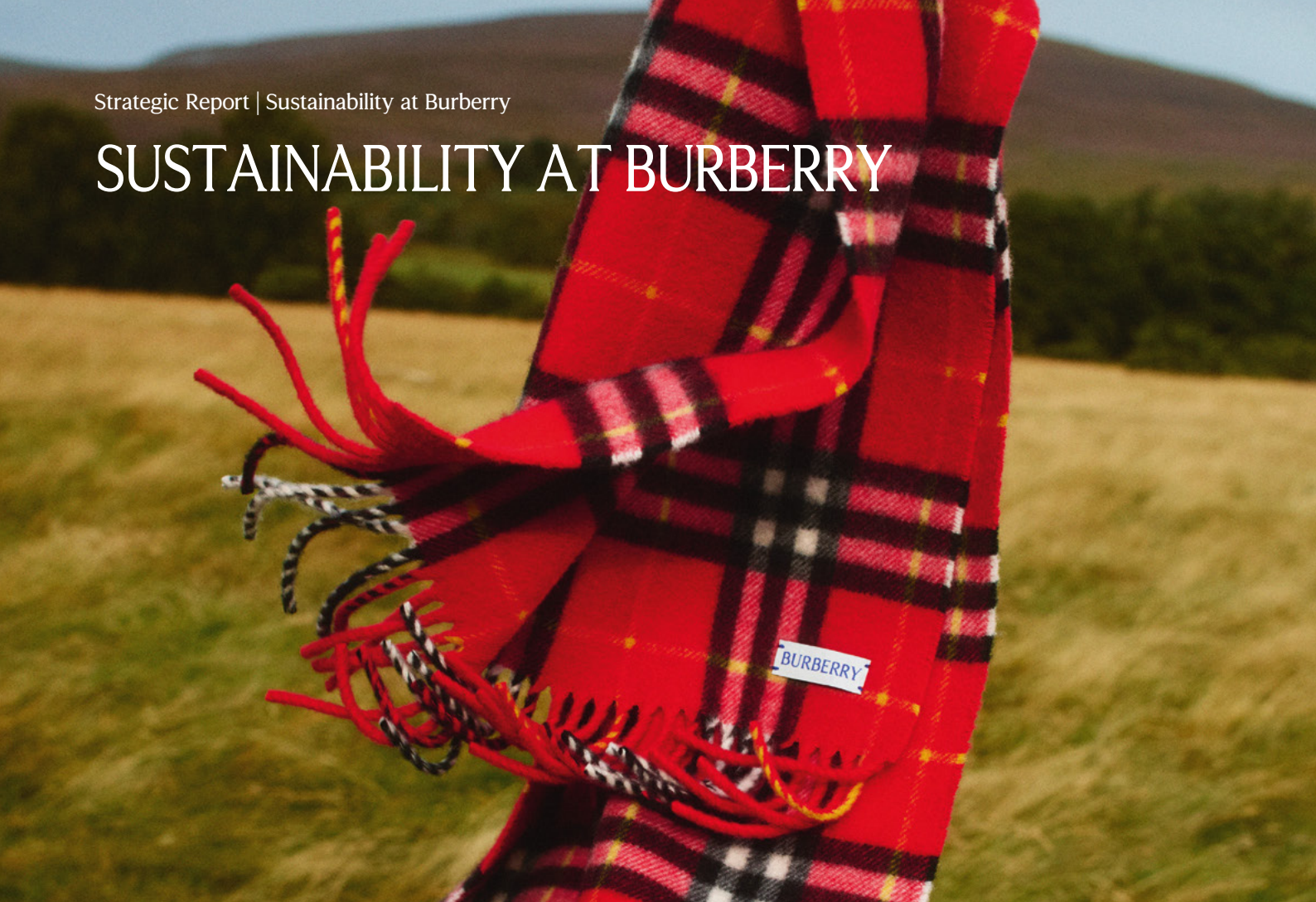
MBA Apprenticeship Graduate



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](https://www.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	<p>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.</p> <p>Further information on the global luxury market can be found on page 20.</p> <p>Further information on Principal Risks can be found on page 92.</p> <p>Further information on Key Decisions can be found on page 115.</p>
(b) Interests of employees	<p>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.</p> <p>Further information on our people can be found on page 37.</p> <p>Further information on the Burberry Forward pillar to Reignite a High-Performance Culture can be found on page 37.</p> <p>Further information on how the Board engages with employees can be found on page 115.</p>
(c) Fostering the company's business relationships with suppliers, customers and others	<p>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.</p> <p>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.</p> <p>Further information on supplier relationships can be found on page 45.</p>
(d) Impact of operations on the community and environment	<p>Acting responsibly with respect to the environment and the communities in which we operate is a key focus for Burberry.</p> <p>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.</p>
(e) Maintaining a reputation for high standards of business conduct	<p>The Board periodically reviews and approves Burberry's Code of Conduct and other key policies aimed at upholding the highest standards of business conduct.</p> <p>Further information on business conduct at Burberry can be found on pages 86 to 88.</p>
(f) Acting fairly between members of the Company	<p>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.</p> <p>Further information on the Board's engagement with shareholders can be found on page 115.</p>





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.

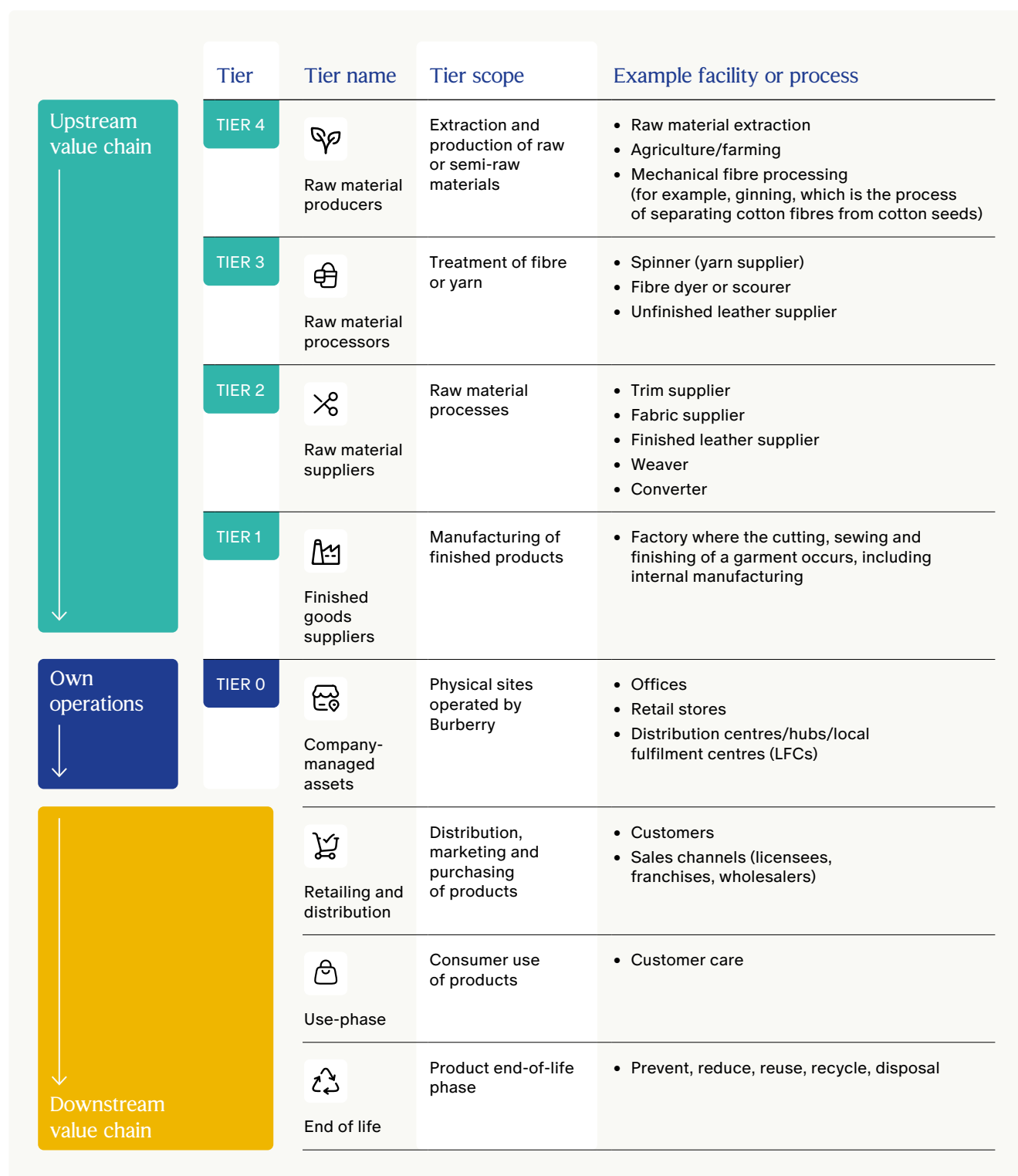
We engage with our stakeholders and work with our partners to drive change and deliver sustainable value.

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.	<p>We engage with our customers through messaging on products, marketing campaigns, social media, Company websites, global consumer research and in-store events.</p> <p>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.</p> <p>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.</p>	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.	<p>We engage directly with shareholders through quarterly trading updates, results presentations, investor meetings and the Annual General Meeting (AGM).</p> <p>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.</p>	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 <p>We want our people to thrive at Burberry and are committed to attracting and retaining the best talent for our business.</p>	<p>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.</p>	<p>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.</p>	<p>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.</p>
 Partners <p>We collaborate with a wide range of partners, including suppliers, companies and retail third parties.</p>	<p>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.</p>	<p>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.</p>	<p>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.</p>
 Governments <p>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.</p>	<p>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.</p>	<p>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.</p>	<p>We continue to communicate with governments on key issues and solutions, for instance, participating in round tables, providing evidence for consultations and industry partners.</p>
 Communities <p>Burberry is committed to being a responsible business and supporting our communities.</p>	<p>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.</p>	<p>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.</p>	<p>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.</p> <p>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.</p>

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.



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](https://www.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

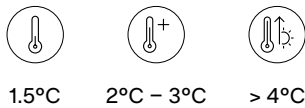
- Scenario analysis is based on our current asset base and value chain. Planned changes to our asset base and sourcing locations have not been taken into consideration in quantifying the five-year earnings at risk
- We have considered the extent to which financial impacts may be passed on to consumers. 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



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

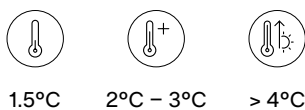
- Scenario analysis and quantification of the five-year earnings at risk does not take into consideration our actions to be net zero by 2040 and therefore assumes a growth in GHG emissions aligned to an average growth rate used in our product forecast
- GHG emissions are based on our assured FY 2023/24 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



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 Burberrypkc.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 Burberrypkc.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.

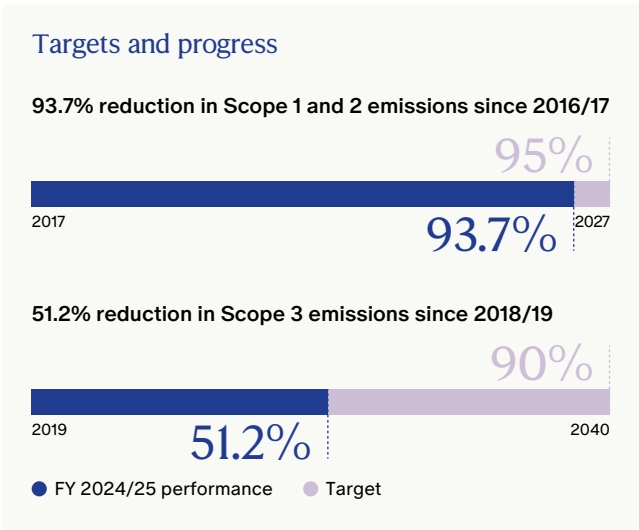
Scope 3



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.



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](https://www.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 ₂ e)	371,399		411,661		415,007	
Scope 1, 2 and 3 emissions intensity (tonnes CO ₂ e per £1m sales revenue)	150.9		139		134	
	FY 2024/25		FY 2023/24		FY 2022/23	
	Global	UK and offshore only	Global	UK and offshore only	Global	UK and offshore only
Scope 1 and 2						
Total energy including: purchase of electricity, the operation of any facility, combustion of fuel for facilities and vehicles/kWh	51,647,269 ^A	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 ₂ e)	1,470 ^A	845	1,545	1,056	1,585	1,082
Scope 1 – Combustion of fuel from owned or leased transport (tonnes CO ₂ e)	68 ^A	2	122	3	82	2
Scope 2 – Electricity purchased and used for operations (location based) (tonnes CO ₂ e)	16,347 ^A	1,782	17,308	1,998	17,692	1,872
Scope 1 and 2 – Total emissions (location based) (tonnes CO ₂ e)	17,885 ^A	2,629	18,975	3,057	19,359	2,956
Scope 2 – Electricity purchased and used for operations (market based) (tonnes CO ₂ e)	0 ^A	0	0	0	0	0
Scope 1 and 2 – Total emissions (market based) (tonnes CO ₂ e) ¹	1,538 ^A	847	1,667	1,059	1,667	1,084
Total emissions offset by Verified Emissions Reduction Certificates (tonnes CO ₂ e)	0	0	1,667	1,059	1,667	1,084
Scope 1 and 2 intensity (location-based) (tonnes CO ₂ e 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% ^A	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](https://www.burberryplc.com).

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

^A 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](https://www.burberryplc.com).

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

	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 ^A	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 Burberrypkc.com.

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 – EMEA	86%	93%	96.2%
Percentage of Tier 1 supply chain partners using renewable electricity – Asia Pacific	38%	33%	28.6%

^A 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 Burberrypkc.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](https://www.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 [Burberry plc.com](https://www.burberry.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 dyeing, 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 direct¹ 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 Burberrypc.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 Burberrypc.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%^A 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 Burberrypc.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.

^A 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 Burberrypc.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](https://www.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% ^A	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 Burberrypplc.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).

^A 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 Burberrypplc.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 packaging¹ 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 packaging¹ 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 waste¹



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](https://www.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](https://www.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](https://www.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](https://www.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 through 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](https://www.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^A 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.

^A 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](https://www.burberryplc.com).

We have a target that all our material¹ 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 safety² 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](https://www.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 key³ 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 EMEA 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 EMEA.

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 Satisfaction¹.

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 ^{A1}	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.

- 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.
- 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.
- 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.

^A 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 EMEA 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 workforce¹.

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 impacted² 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%^A 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.

^A 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 Burberrypc.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 Burberrypc.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](https://www.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](https://www.coty.com).

Actions

1. Raw materials target progress

In FY 2024/25 we made good progress 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](https://www.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](https://www.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 be found on the Total Tax Contribution section at [Burberryplc.com](https://www.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	<ul style="list-style-type: none"> • Global Environmental Policy • Responsible Sourcing Policy • Chemical Management Standards • Code of Conduct 	<ul style="list-style-type: none"> • Sustainability at Burberry section, pages 40 to 88 • Impact section on Burberrypc.com • Task Force on Climate-related Financial Disclosures (TCFD), pages 47 to 71
Employees	<ul style="list-style-type: none"> • Code of Conduct • Our Culture and Values • Global Health and Safety Policy • Ethical Trading Code of Conduct • Global Diversity, Equity and Inclusion Policy 	<ul style="list-style-type: none"> • 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 Burberrypc.com • Sustainability at Burberry section, pages 40 to 88
Respect for human rights	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Impact section on Burberrypc.com • Transparency in the Supply Chain and Modern Slavery Statement on Burberrypc.com
Social matters	<ul style="list-style-type: none"> • Ethical Trading Code of Conduct • Local Stakeholder Engagement Policy • Volunteering and Match Funding 	<ul style="list-style-type: none"> • Impact section on Burberrypc.com
Anti-corruption and anti-bribery	<ul style="list-style-type: none"> • Anti-Bribery and Anti-Corruption Policy • Cash Acceptance Policy • Fraud Risk Management Policy 	<ul style="list-style-type: none"> • Reflecting the needs of our stakeholders, People, page 45 • Reflecting the needs of our stakeholders, Customers, page 44
Additional disclosure		<ul style="list-style-type: none"> • 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.



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

- (Brand) Timeless British Luxury
- (Product) Lead with outerwear
- (Distribution) Align distribution with Product and Customer strategy
- (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

- Risk included in the viability assessment

Principal risk summary

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

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

External risks

1. Financial Risk



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



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



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



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



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



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



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



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



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



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



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



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