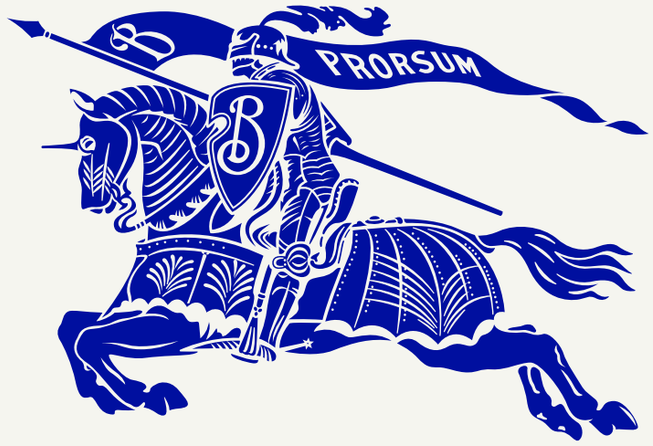


CLIMATE TRANSITION PLAN
BURBERRY GROUP PLC

Contents

Foreword

FOR 170 YEARS, BURBERRY HAS PIONEERED CLOTHING THAT PROTECTS PEOPLE FROM THE ELEMENTS.

With his invention of gabardine in 1879, our founder Thomas Burberry not only revolutionised outerwear, but also created the only luxury brand founded on the principle that clothing should protect people from the weather.

Today, we draw on Burberry's rich heritage and our values – protect, explore and inspire – to drive innovation in the face of change. It is in this spirit that we publish Burberry's Climate Transition Plan, which charts the steps we are taking to reduce our environmental impact and create a more resilient business for the future. Informed by the goals of the Paris Agreement, the Transition Plan Taskforce Disclosure Framework and the Science Based Targets initiative, our plan reflects the near-term actions and long-term capabilities required to keep us on a credible pathway to reach net zero by 2050.

Across our business model, we are building on Burberry's heritage of innovation and craft by increasing our use of responsibly sourced and certified materials; designing long-lasting iconic products with circularity in mind; improving the energy efficiency of our logistics and retail operations; and working closely with suppliers and partners to further embed climate action at every level of our business.

I am grateful for the dedication of our teams, the collaboration of our supply chain partners and the trust of our colleagues, customers, investors and communities in our Burberry Beyond strategy. By drawing on Burberry's enduring values, we will help shape a more sustainable future for luxury.

Joshua Schulman
Chief Executive Officer

Burberry Group plc

May 2026

Our Climate Transition Plan at a glance

Our values

Protect, Explore, Inspire

Our ultimate ambition

To become a net zero company by 2050

Our engagement strategy

- Advocate for a low-carbon transition
- Collaborate with industry partners
- Engage colleagues in climate action

Our implementation strategy

Efficient operations

Focus areas:

- Energy efficiency
- Heat decarbonisation
- Renewable electricity
- Business travel

Resilient supply chains

Focus areas:

- Supplier roadmaps
- Material efficiency and re-use
- Logistics and packaging
- Climate adaptation

Sustainable products and services

Focus areas:

- Sustainable iconic products
- Responsible raw materials
- Materials and process innovation
- Circular business models

Just Transition and nature protection

Our supporting activities

- Governance and reporting
- Risk and opportunity management
- Financial planning and integration

About this document

This Climate Transition Plan outlines Burberry's objectives, strategy and governance for:

- Reducing greenhouse gas (GHG) emissions from FY 2026/27 to FY 2029/30 in line with our science-based climate targets
- Managing our climate-related risks and opportunities to build climate resilience across our business
- Working with partners to support an industry-wide transition to net zero in line with the goals of the Paris Agreement

This Climate Transition Plan covers the period from 1 April 2026 to 31 March 2030, which encompasses the period up to and including the target years for all near-term emissions reduction targets. It includes actions aimed at delivering near-term emissions reductions as well as strategies to build the organisational capacity and capability required to enable the longer-term future emissions reductions that will keep us on a pathway to becoming net zero by FY 2049/50.

This Climate Transition Plan has been informed by both internal and external Burberry stakeholders and has been approved by the Burberry Group plc Board (the 'Board').

Alignment with regulatory and voluntary frameworks

Burberry's Climate Transition Plan was formulated with reference to the framework developed by the UK Transition Plan Taskforce (TPT) and the IFRS Foundation's guidance document 'Disclosing information about an entity's climate-related transition, including information about transition plans, in accordance with IFRS S2'.

Where we have identified opportunities for further alignment with the TPT framework, these are detailed in the Appendix on page 33.

In addition, our climate-related financial disclosures referenced throughout this document are aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Burberry also reports on environmental matters through CDP, with our latest ratings available on Burberryplc.com.

Our GHG data is produced in alignment with the relevant Greenhouse Gas Protocol (GHG Protocol) standards and guidance. Our climate targets have been developed with reference to the Science Based Target initiative's (SBTi)[1] current Corporate Net-Zero Standard (v1.3) and will be submitted for validation by the SBTi as being aligned with the goals of the Paris Agreement.

Reporting progress

We commit to reporting on our Climate Transition Plan's progress as part of our annual reporting from the financial year ending 31 March 2027 onwards. We anticipate this Climate Transition Plan will evolve to reflect advances in climate science and changes in reporting practices.

1. The Science Based Targets initiative (SBTi) is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). The SBTi defines and promotes best practice emissions reduction targets, and the SBTi Corporate Net-Zero Standard is one of the world's most credible frameworks for corporate net-zero target-setting in line with climate science.

Business model

FOR 170 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. This Climate Transition Plan plays a critical role in supporting these aims, with environmental considerations embedded throughout our business model:

Environmental considerations in relation to our business model

Source

We seek to responsibly source materials of the highest quality. Our Sustainable Raw Materials Portfolio, available on Burberryplc.com, sets out the accepted certifications and the responsible sourcing criteria when procuring materials. This enables us to champion the use of more responsibly sourced and lower-impact materials.

Design

We are working to embed circular design principles in the creation of our products. While Burberry pieces have always been designed with longevity in mind, we are increasingly looking at ways to help our customers to further extend the life of their Burberry products through our ReBurberry Refresh, Repair, and Remake circular services which are designed to help ensure Burberry pieces can be enjoyed for longer.

Make

We weave gabardine and craft our iconic Heritage Trench Coats at our mill and factory in Yorkshire, where we continue to invest in energy efficiency and heat decarbonisation. We work with a network of global suppliers who are contractually obliged to adhere to our Global Environmental Policy (available on Burberryplc.com) and collaborate with them to identify decarbonisation opportunities.

Sell

We continue to trial new circular business models, which, by keeping pieces in use for longer, contribute to a reduction in textile waste.

Value chain

We recognise that our traditional business model creates a dependency on natural resources. Managing this dependency requires us to take action across all stages of Burberry's 'value chain', by using raw materials efficiently, maximising the recovery and utilisation of surplus fabrics, and planning production volumes effectively. The visual illustrates Burberry's value chain and its specific components.

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

Climate-related risks and opportunities

The climate crisis, water security and biodiversity loss are significant challenges faced by businesses and society at large. Delivering on our environmental commitments is a key area of focus for Burberry, which reflects our brand's deep connection to the outdoors and exploration of the natural world. Our ability to adapt to climate-related risks and opportunities will play an important role in Burberry's long-term success.

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 and opportunities is integrated into our business strategy and decision-making in areas such as capital allocation, investment appraisal, supply chain planning and raw material sourcing.

Since FY 2019/20, we have assessed our climate-related risks and opportunities in line with the recommendations of the TCFD and across several climate scenarios.

Time horizons

In line with our assessment of climate-related financial risks, we define our time horizons as:

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

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

Scenario name	Scenario description	Global impact of climate-related risks over time	Average global temperature rise by 2100
Net Zero 2050	This scenario limits global warming to 1.5°C through stringent climate policies and innovation, reaching global net zero emissions by around 2050	To limit global warming to less than 1.5°C compared to pre-industrial levels, collective global action will be needed, leading to significantly higher transition costs. By taking collective action, the impact of physical risks occurring in the long term may be reduced.	~1.5°C
Nationally Determined Contributions (NDCs)	This scenario assumes countries meet their pledged climate targets, even if not yet backed up by implemented and effective policies	Actions in line with Paris Agreement commitments would lead to increased transition risk in relation to current policies.	~2.5°C
Current policies	This scenario assumes only currently implemented and binding policies are adhered to	With no additional actions from governments globally, transition is slower and physical risks are higher.	~3.0°C

Further details regarding our methodology for identifying and quantifying risks can be found in Burberry's Annual Reports, which can be found on Burberryplc.com.

The time horizon used for our 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.

The most material risks and opportunities, the management of which is the primary objective of this Climate Transition Plan, are detailed on the next page. Our response to these climate-related financial risks and opportunities shapes the objectives and actions set out in this Climate Transition Plan.

Material transition risks and opportunities

R Risk O Opportunity

Climate-related issue	How it could impact Burberry	Burberry's response
Changing customer expectations R O	As awareness of the implications of climate change grows, customers are increasingly conscious of the environmental impact of the products they buy and the commitment brands show toward environmental responsibility when making purchasing decisions. For Burberry, this may encourage greater use of more organic, regenerative or recycled materials in our designs and to offer more circular business models. This presents both a risk and an opportunity.	• Responsible raw materials (page 20) • Materials and process innovation (pages 20-21) • Circular business models (page 21)
Brand image and reputation R O	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. Conversely, effective management of environmental impacts and risks may support an increase in brand value and reputation.	• Reporting progress (page 4) • Engagement strategy (pages 27-28)
Policy uncertainty R	Compliance carbon pricing schemes and other regulatory efforts designed to deliver economy-wide decarbonisation may directly (if leveraged on apparel and textile goods) or indirectly (if passed through by suppliers) increase production, distribution and raw material costs.	• Supplier roadmaps and capacity building (page 17) • Material efficiency and re-use within production (page 17-18) • Responsible raw materials (page 20) • Circular business models (page 21)
Increased energy and water costs R	The required transition to lower-carbon energy sources across material and product manufacturing globally could lead directly (through energy consumption within our own sites) or indirectly (if passed on by suppliers) to increased costs in markets where the transition leads to volatility in energy prices and/or energy security. Similarly, water scarcity could lead to higher prices across our supply chain.	• Supplier roadmaps and capacity building (page 17) • Material efficiency and re-use within production (page 17-18) • Logistics and packaging (page 18-19) • Responsible raw materials (page 20) • Tackling nature loss (pages 22-23)

Physical risks and opportunities

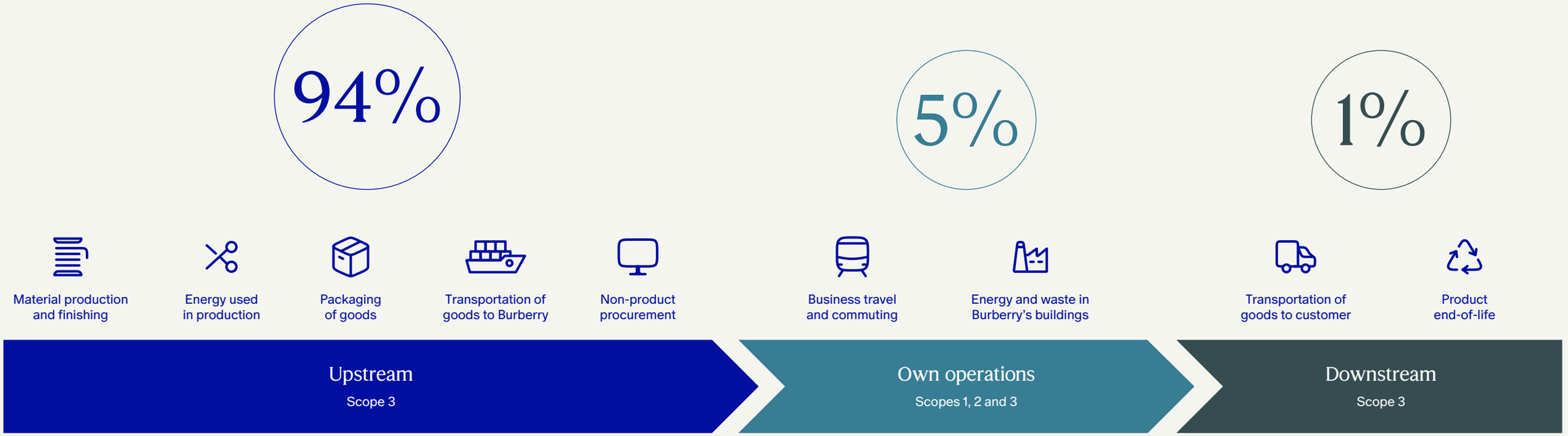
R Risk O Opportunity

Climate-related issue	How it could impact Burberry	Burberry's response
Raw material supply R	As a luxury brand, we are heavily dependent on natural fibres such as cotton, wool and cashmere as raw materials. Higher temperatures, water shortages and other acute extreme weather events are expected to increasingly affect production of these materials in many regions, with a potential impact on availability and price.	• Responsible raw materials (page 20) • Material and process innovation (pages 20-21) • Tackling nature loss (pages 22-23)
Supply chain disruptions R	An increase in the frequency and severity of acute weather events is likely to impact raw material sourcing, disrupt operations and damage facilities, while an increased risk of tropical storms and floods in Asia as well as increased risk of droughts and heatwaves in Asia, Europe and the Americas could result in facility disruption.	• Climate adaptation (page 19) • Tackling nature loss (pages 22-23) • Supporting a Just Transition (page 24)

GHG emissions by business activity

In FY 2025/26, the most recent year for which we have full reporting, our GHG emissions were as follows:

Represents percentage of Burberry's overall carbon emissions



A breakdown of our Scope 1, 2 and 3 emissions by category can be found on page 29.

Strategic ambition

Burberry Beyond

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY CONTINUES TO BE VERY IMPORTANT TO OUR COLLEAGUES AND CUSTOMERS.

Our Burberry Beyond strategy guides how we manage 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 acts responsibly towards our planet, our people and the communities we impact.

For further details on our Burberry Beyond strategy, please see our latest Annual Report on Burberryplc.com.

Climate change

BURBERRY HAS A LONGSTANDING COMMITMENT TO ADDRESSING THE IMPACTS OF CLIMATE CHANGE.

Our Scope 1, 2 and 3 emissions reduction targets, covering FLAG (Forest, Land and Agriculture) and non-FLAG (energy and industry) emissions will be submitted to the SBTi for validation of their alignment with an economy-wide pathway for limiting global warming to 1.5°C above pre-industrial levels by 2100. These targets support our climate-related risk mitigation and underpin Burberry's approach to adapting to climate change, providing a framework for our decarbonisation efforts across our value chain.

Our long-term ambition is to achieve net zero emissions across our operations and supply chain by FY 2049/50. This includes the requirement to reduce absolute emissions from our own operations (Scope 1 and 2) by at least 95% from the end of FY 2026/27 onwards (relative to FY 2016/17), and from our value chain (Scope 3) by at least 90% (for non-FLAG emissions) and 72% (for FLAG emissions) from the end of FY 2049/50 onwards (relative to FY 2018/19).

To support the delivery of our Scope 1 and 2 target, we also commit to maintaining our procurement or generation of 100% renewable electricity across our own operations, in line with our membership of the RE100 initiative[2].

This Climate Transition Plan establishes the measures we are taking to reduce emissions between FY 2026/27 and FY 2029/30. Further details on our target methodologies and boundaries can be found on page 34.

In addition to reducing emissions from our own operations and value chain, we continue to develop resilience across our business to physical climate risks and the impacts of the transition to a low-carbon economy. We also support efforts to enable and accelerate the economy-wide climate transition, through industry partnerships and engagement with suppliers and customers. This Climate Transition Plan provides further details regarding the measures we are taking to achieve these ambitions.

Net zero

Globally, net zero is achieved by 'cutting greenhouse gas emissions to as close to zero as possible with any remaining emissions re-absorbed from the atmosphere, by oceans and forests for instance' (UN Net-Zero Coalition).

Under the SBTi's Net-Zero Standard, 'most companies are required to reduce emissions by at least 90% to reach net zero. Then, any remaining emissions (usually no greater than 10% of base year emissions) must be neutralised through carbon removals.'

2. RE100 is a global initiative by The Climate Group and CDP that unites major companies committed to sourcing 100% renewable electricity for their operations, accelerating the shift to clean energy grids and demonstrating market demand for renewables.

Beyond carbon

WE RECOGNISE THE INTERCONNECTEDNESS OF CLIMATE AND NATURE, AND THE NEED TO ADDRESS THE TWIN CRISES OF CLIMATE CHANGE AND NATURE LOSS.

For this reason, we integrate our efforts across biodiversity loss, deforestation and water security with climate action through the Planet pillar within our Burberry Beyond strategy. We recognise that meeting our targets across these areas will support our efforts to achieve net zero and vice versa.

Our actions to address nature-related risks and opportunities are integrated into the Strategy section where relevant to the objectives of this Climate Transition Plan. Addressing such issues holistically is critical to the wellbeing and livelihoods of our employees and the communities in which we operate.

OUR GOAL: TO REACH NET ZERO BY NO LATER THAN FY 2049/50.

SBTi-aligned GHG targets

Absolute Scope 1 & 2 reduction in GHG emissions by FY 2026/27 from a FY 2016/17 base year

Target	Achieved in FY 2025/26
95%	94.3%

Absolute reduction in Scope 3 non-FLAG GHG emissions by FY 2029/30 from a FY 2018/19 base year

Target	Achieved in FY 2025/26
46.2%	20.2%

Absolute reduction in Scope 3 FLAG GHG emissions by FY 2029/30 from a FY 2018/19 base year

Target	Achieved in FY 2025/26
30.3%	29.5%

Broader nature targets

100% of key raw materials in our products to be certified or responsibly sourced by FY 2029/30

Target	Achieved in FY 2025/26
100%	86%

Achieve zero water hotspots across Tier 1 and Tier 2 supply chain partner facilities by FY 2029/30

Target	Achieved in FY 2025/26
0	2

Achieve no deforestation across primary deforestation-linked commodities by FY 2029/30

Target	New target for FY 2026/27
100%	N/A

Supporting targets

Maintain 100% renewable electricity in company operated facilities

Target	Achieved in FY 2025/26
100%	100%

Maintain zero waste to landfill across company-owned facilities

Target	Achieved in FY 2025/26
Zero	Zero

For further details on our SBTi-aligned GHG targets, please see page 34. For further details on our supporting targets and broader nature targets, including how we monitor progress against each, please see our latest Annual Report, available on Burberryplc.com.

Revisions to our environmental targets

We have refined our climate, deforestation, packaging and traceability targets to reflect our learnings and progress since we established our Burberry Beyond sustainability strategy in FY 2022/23.

Our revised climate targets reflect a greater understanding of GHG emissions across our value chain, investments into our GHG data management capabilities, and updates to the SBTi and GHG Protocol standards and frameworks. Our revised targets also take into account the observed and projected speed and scale of decarbonisation across our industry and economies where we operate, both significant dependencies for the realisation of our own goals. Based on these insights, we have extended our overall net zero target year from FY 2039/40 to FY 2049/50 and segregated our Scope 3 targets between FLAG and non-FLAG emissions.

We believe our revised targets reflect a pragmatic response to external factors, while allowing us to maintain a level of ambition in line with our assessment of climate change as a principal risk facing our business.

Further details of our restatements to historic GHG data, reflecting our evolving accounting methodology, can be found in the ‘Metrics and targets’ section (pages 29-30).

In FY 2025/26 we achieved a 22.1% reduction in our overall Scope 3 emissions compared to FY 2018/19.

Dependencies and assumptions

The forward-looking nature of this Climate Transition Plan and our climate targets requires us to make certain assumptions about external factors on which we are highly dependent and are largely outside of Burberry's control. Where decarbonisation actions have specific dependencies, these are described alongside the relevant actions within the Strategy section (pages 15-28).

Macro factors

Economy-wide shifts

Global decarbonisation

The global transition to net zero and associated structural changes in economic activity, such as transport and power decarbonisation

Global economy

The state of the global economy and the luxury market, and their impact on Burberry and our ability to finance climate actions

Government policies and regulation

Policies and laws aimed at reducing GHG emissions, protecting and restoring nature, and enhancing the circularity of the economy

Industry factors

Industry conditions and trends

Technology and innovation

The widespread adoption and scale-up of new technologies, such as next-generation materials and material recycling infrastructure

Industry collaboration

The ability of brands, manufacturers and other partners to collaborate to deliver decarbonisation within the parameters of applicable competition and anti-trust laws

Value chain factors

Supplier and customer actions

Customer preferences

Demand from customers for brands to offer lower- impact products and services

Supplier commitments

Commitment from suppliers to set credible decarbonisation plans and their capacity to deliver

Data quality

Access to suppliers' emissions data, the traceability of products and materials, and the ability to demonstrate the positive impact of decarbonisation interventions

Using climate-related scenario analysis, we stress test our assumptions of the financial impacts of transition and physical risks. Key assumptions considered within our analysis include:

- Levels of future global warming
- The physical impacts of a changing climate and their regional and spatial implications
- Future carbon pricing projections
- Our financial forecasts

Further details regarding the assumptions and modelling approach used within our scenario analysis can be found in our latest Annual Report, available at Burberryplc.com.

Business operations

This section (Strategy) outlines:

- The actions we are taking to embed our GHG targets and to adapt to climate change across our business
- Our approach to tackling nature loss and supporting a Just Transition to net zero
- The business policies which support the objectives of this Transition Plan
- Our approach to financial planning, carbon pricing and carbon credits
- Our external engagement strategy

We continue to investigate ways to accurately assess, track and refine the quantitative impact of our climate actions on our ability to deliver our GHG targets (page 33 provides details of the opportunities we have identified for further alignment with the TPT framework).

We have the greatest influence on emissions across our own operations, namely our owned or leased stores, offices, distribution hubs and manufacturing sites. We focus on where we can have the most impact, working closely with key sites to develop decarbonisation roadmaps to be implemented with the support of our colleagues.

Energy efficiency and heat decarbonisation

Emissions categories impacted: Scope 1, Scope 2

As part of a series of energy-related investment projects, gas heating systems are being replaced with an electric equivalent across our UK internal manufacturing sites. This is expected to reduce gas consumption across our global operations by 10%.

As natural gas was responsible for 96% of our Scope 1 and 2 emissions in FY 2025/26, these investments will play a significant role in realising our target to reduce our Scope 1 and 2 emissions by 95% by FY 2026/27 and maintaining this performance thereafter.

As a result of regular energy audits, we have identified and implemented several measures to enhance energy efficiency, including the replacement of single-glazed windows at select UK sites to reduce heat loss. We have also replaced the original roof at our UK distribution site, which is anticipated to have a significant impact on reducing heat loss, driving down gas consumption and Scope 1 emissions. These investments enable progress to be made where it is not yet viable to commit to large-scale gas heating removal projects.

Within our stores we have implemented LED upgrades and installed technology to provide real-time monitoring of electricity consumption. Real-time feedback enables us to identify when devices and lighting are left on out of hours, which in turn allows us to address the issue immediately. Across a sample of stores in November and December 2024, these changes supported a 7% saving in electricity usage when compared with the same period in the previous year. The initiative is being rolled out across the estate and will remain a focus for our operational teams.

Energy efficiency is prioritised during site renovations, with all renovated or newly opened sites being certified as either LEED Gold or BREEAM Excellent. As of the end of FY 2025/26, 151 of our sites had LEED Gold certification or BREEAM Excellent certification.

Risks and opportunities being managed

Increased energy and water costs

R

Key dependencies

Data quality – Accurate energy data collection is a key challenge, particularly where we contract directly with landlords and therefore have minimal visibility over electricity consumption on site. As Burberry does not own all our warehouses and offices, we foster constructive relationships with our landlords globally and engage third-party logistics partners to implement measures such as LED lighting upgrades and the installation of solar panels.

Cost-effectiveness of low carbon technologies – When assessing decarbonisation plans for internal operations, a key challenge is the lack of affordable, cost-effective and reliable alternatives to gas heating. While this remains the case, it may be challenging to transition away from gas in stores where absolute levels of gas consumption are low.

Decarbonisation of Burberry Mill

Burberry Mill, our internal manufacturing site in Keighley, Yorkshire, has been a focus of our decarbonisation efforts for achieving our Scope 1 and 2 GHG targets. With a view to improving overall on-site energy efficiency, we have removed the gas-fired heating system, replaced original windows with double glazing to minimise heat loss and upgraded lighting systems. These site improvements contributed to a 61% reduction in FY 2025/26 in the site's remaining Scope 1 emissions, compared with FY 2024/25.

Renewable electricity

Emissions categories impacted: Scope 2

Burberry has been a gold member of RE100 since 2017, when we committed to source 100% renewable electricity for our own operations by 2022. We achieved the target in FY 2021/22 and annually since that date. Maintaining this performance is critical to the delivery of our Scope 1 and 2 targets.

We emphasise additionality (where demand for renewable electricity contributes to the creation of new renewable energy projects, or the expansion of existing ones) when purchasing renewable electricity by prioritising the procurement of green tariffs in markets where they are available. Where green tariffs are unavailable, we purchase Energy Attribute Certificates (EACs)[4] with a focus on procuring certificates within market (where the country of electricity generation matches the country of consumption).

Expanding our on-site production of renewable electricity also improves the environmental performance of our operations. We have installed solar panels at our internal manufacturing site in Italy, as well as our warehouses in the UK, the USA and Italy, which meet more than 20% of our electricity needs in those locations.

Risks and opportunities being managed

Increased energy and water costs

R

Key dependencies

We face barriers to purchasing EACs in regions where the availability and affordability of EACs is limited. In these areas, we rely on market arbitrage, purchasing from neighbouring countries to cover consumption. Looking ahead, we will continue to engage with organisations such as RE100 to call for the increased availability, reliability and commercial viability of procuring in-market renewable electricity.

Business travel

Emissions categories impacted: Scope 1, Scope 3 (Business travel)

We have strengthened our Travel Policy to ensure that the environmental impacts of business travel are minimised. Initiatives include increasing sustainability-related communications for colleagues at the point of booking and adjusting flight duration requirements to qualify for business class travel.

We will continue working closely with our travel partner to ensure colleagues recognise the carbon impact of their journeys and make informed decisions. Supporting these efforts is the introduction of a shadow Internal Carbon Price (ICP) on business travel emissions, which helps Burberry colleagues understand the environmental impact of specific travel decisions and encourages responsible travel and business practices. Further details of our use of carbon pricing mechanisms can be found on page 26.

Company cars accounted for 4% of Scope 1 and 2 emissions in FY 2025/26, with their use limited to eligible colleagues based in Italy. We are currently reviewing our Burberry Company Car Policy (Italy), which applies to all Burberry colleagues who are assigned a company car. We are assessing how this policy can support the transition to hybrid and electric vehicles as the default option for colleagues, to reduce reliance on petrol and diesel vehicles.

Risks and opportunities being managed

Increased energy and water costs

R

Key dependencies

We work closely with our travel management partner to understand trends in colleagues' business travel and identify carbon hotspots.

However, progress on reducing business travel emissions relies not only on our colleagues acting responsibly in their selection, duration and volume of travel, but the rate at which the travel industry is implementing the changes required to support economy-wide decarbonisation.

1. Energy Attribute Certificates (EACs), also known as Renewable Energy Certificates (RECs), are documents that prove electricity was produced from renewable sources such as wind, solar or hydro power. An EAC is produced when a renewable source of power produces one megawatt-hour (MWh) of electricity.

Supply chain

Manufacturing processes, such as the cutting and sewing of our final products by Tier 1 vendors (see page 6 for definitions of our supply chain tiers), can generate surplus fabrics and are powered by electricity. Fabric production (Tier 2 and Tier 3) involves processes such as spinning, weaving, tanning and knitting, as well as dyeing and other wet processes which can rely on heat and steam generated by natural gas and electricity.

Supplier roadmaps and capacity building

We work with 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 the use of fossil fuels. Through this engagement we emphasise the critical role our partners play in achieving the objectives of this Climate Transition Plan.

We ask our supply chain partners with the most substantive impact on our Scope 3 footprint to provide detailed energy and decarbonisation action plans. These plans inform our decarbonisation pathway and our suppliers' own decarbonisation journeys by supporting the tracking of planned interventions and investments at facility level. The Tier 1 supply chain partners providing such plans collectively represented over 85% of our Tier 1 energy-related emissions in FY 2025/26.

In addition, the action plans help to identify industry-wide challenges across our supply chain, which can be addressed at cross-industry forums. For example, in Italy, we partner with luxury brand peers and Apparel Impact Institute to support shared suppliers in setting emissions reduction targets and to identify opportunities for shared action on energy decarbonisation.

In accordance with our commitment to the Fashion Industry Charter for Climate Action, compliance with our Global Environmental Policy does not allow new coal power installations within Tier 1 and Tier 2 suppliers' facilities (see page 25 for further details on how our policies are monitored and enforced). We are also reviewing how we assess suppliers on their energy and climate performance to inform sourcing decisions and are reviewing our expectations with respect to our suppliers' renewable energy usage.

Risks and opportunities being managed

Policy uncertainty

R

Increased energy and water costs

R

Harmonised data collection

One shared challenge identified in building supplier capacity is the lack of standardisation in environmental data collection across the fashion supply chain. As a member of The Fashion Pact, we collaborate with peers through its European Accelerator Initiative. One of the programme's aims is to enable more informed decision-making, with a focus on developing harmonised environmental data points covering energy, water and waste. This is intended to ease reporting burdens on suppliers while also improving access to quality primary data for brands.

Key dependencies

De-risking investments by suppliers into lower-carbon manufacturing technologies and processes, such as waterless dyeing (see page 20), remains a challenge across the fashion industry, limiting the speed at which the industry can transition.

Recognising that manufacturing decarbonisation requires industry-wide collaboration, we work with our luxury and fashion peers through forums such as The Fashion Pact (see 'Harmonised data collection') and Apparel Impact Institute to support suppliers in identifying and implementing carbon reduction opportunities.

Material efficiency and re-use within production

We recognise the fashion industry's shared challenge with respect to the environmental impacts of overproduction and the generation of surplus fabrics.

We are committed to optimising resource use and reducing waste across our operations and supply chain in line with Burberry's waste hierarchy, as detailed in Burberry's Global Environmental Policy (which can be found on Burberryplc.com). This gives priority to waste prevention, followed by reuse, recycling and energy recovery.

In FY 2024/25, we established a manufacturing waste management programme, focusing on reducing production waste, including production losses, off-cuts and defective material, and revaluating waste where it cannot be avoided. The waste programme focuses on the following priority areas:

- Reduction: Our priority is to prevent and minimise waste in manufacturing, including production losses, offcuts and defective material, by enhancing material utilisation efficiency. In FY 2025/26, we launched Efficiency Hubs, which are cross-functional working groups focused on specific product categories. These hubs are designed to test and scale practical solutions that address waste at its source by introducing new, more efficient ways of working and removing operational barriers to waste reduction.
- Revaluing: Where waste cannot be prevented, we look for opportunities across our supply chain to repurpose it in line with Burberry's waste hierarchy, ensuring materials retain the highest possible value. Since FY 2024/25, we have been exploring ways to trial and scale textile-to-textile recycling projects (see case study on page 18).
- Mindset shift: We aim to drive a zero-waste mindset among internal and external stakeholders by raising awareness of the impact of waste and the ways in which it can be converted into a valuable resource.

Textile-to-textile recycling

In our Spring 2026 collection, we introduced our first product made from 100% recycled nylon. The fabric was crafted entirely from production offcuts from Burberry Tecnica, our technical outerwear manufacturing facility in Italy. Through a textile-to-textile recycling process, the offcuts were transformed into a fabric suitable for use in future collections. This marked an exciting step forward in our commitment to sourcing responsible materials. We continue to explore ways to expand textile-to-textile recycling within our supply chain.

We are also working to reduce the environmental impact of seasonal collection development. Our product teams are actively reducing our sampling footprint by embedding 3D design across multiple categories, with 3D imagery also supporting in-store training. Childrenswear teams use 3D to help navigate the complexities of grading and branding placement, where body proportions shift significantly across age groups. For hard accessories, digital design is now the starting point for development, streamlining processes from concept to prototype. This shift is further strengthened through close collaboration with our internal manufacturing colleagues at Castleford and Burberry Tecnica, where we continue to explore new ways to embed digital sampling and reduce reliance on physical production.

We recognise that moving to a circular economy cannot be achieved in isolation. During FY 2024/25, we contributed to an industry-led Extended Producer Responsibility (EPR) Sandbox Project. With support from the UK Fashion & Textile Association (UKFT) trade association, the British Fashion Council (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.

Risks and opportunities being managed

- Policy uncertainty: R
- Brand image and reputation: R O
- Increased energy and water costs: R
- Raw material supply: R

Key dependencies

Significant barriers remain across the industry in scaling textile-to-textile recycling, despite its potential to decarbonise material use. Scaling progress remains challenging without sustained innovation, adequate funding, enabling infrastructure, efficient collection-and-sorting systems and effective policy support.

Logistics and packaging

Emissions are generated in the transporting of our finished goods from vendors to our distribution hubs and from hubs to our retail locations.

We have focused on improving our internal tracking and planning of logistics, strategically consolidating vendor shipments where possible. We will continue to identify efficiencies in our planning and forecasting to minimise the requirement for air freight, while working with third-party logistics providers to optimise routing where air freighting is unavoidable. In addition, we take logistics providers' own decarbonisation targets and actions into account when procuring their services.

We are also committed to eliminating unnecessary single-use plastic, and to ensuring the use of preferred materials (as defined in our Sustainable Raw Materials Portfolio, available on Burberryplc.com), across all packaging by the end of FY 2029/30. As part of this commitment we also aim to ensure that all paper-based packaging is Forest Stewardship Council (FSC)® certified. FSC® certification provides a globally recognised standard for responsible forest management, mitigating deforestation risks (see page 22 for further details of how we manage deforestation-related risks).

As well as driving carbon reductions, the steps we are taking on packaging help us to prepare for upcoming regulations, including Ecodesign for Sustainable Products Regulation (ESPR) and the Packaging and Packaging Waste Regulation (PPWR) in the EU, as well as various global Extended Producer Responsibility schemes.
We have also created a packaging material impact matrix to inform all future packaging developments. This ensures the use of preferred materials, such as certified recycled content or FSC® certified bamboo, whilst continuing to improve the reusability and to reduce the weight of packaging without jeopardising quality and functionality.

Key dependencies

For unavoidable air freight, we are dependent on the wider regulatory environment and technological innovation in green transport solutions to minimise our emissions. We engage our logistics partners on their plans to adopt lower-carbon fuels and will continue to monitor changes in the wider global logistics sector to inform our own decarbonisation pathway.

Risks and opportunities being managed

- Changing customer expectations — R O
- Policy uncertainty — R
- Increased energy and water costs — R

Global Organic Textile Standard (GOTS) certification

Since its introduction in the early 20th century, the trench coat has been crafted to shield the wearer from the elements. Featuring our Burberry Check lining, it is globally recognised as one of Burberry's most iconic and enduring products.

In FY 2025/26, for the second consecutive year, Burberry Limited was accredited with the GOTS certification (Version 7.0). The accreditation covers a broad range of product categories and processes such as dyeing, finishing and manufacturing. As a result our iconic Heritage Trench Coats are certified organic. This milestone reinforces our commitment to responsible production and provides a strong foundation for the continued longevity of an enduring classic, which is crafted with the long-term health of the environment in mind.

Climate adaptation

We have been assessing the potential financial impacts of physical climate risks on our supply chain through climate scenario analysis since FY 2019/20. These assessments illustrate how extreme weather events and chronic climate changes could disrupt the manufacturing and distribution of goods and/or damage our own or our suppliers' facilities. Impacts are expected to be greatest under higher global warming scenarios.

Since 2023, we have been mapping, via a supplier survey, the occurrence and impact of extreme weather events in our value chain. Our aim is to improve our understanding, and raise awareness among our stakeholders, of physical climate-related risks.

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.

We work with our partners to implement our Water Resilience Assessment, which helps us to identify potential hotspots – sites where water management levels are disproportionate to their levels of water intensity and risk. The assessment 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.

In instances where a supplier's facility is identified as having a high flood risk, the supplier is asked to provide a risk assessment which takes into consideration the health and safety of workers and establishes risk mitigation plans.

We are also taking steps to assess the risk of extreme heat on workers within our supply chain. Through our ethical due diligence programmes, we are identifying where risks are greatest and ensuring that our suppliers have practices in place to manage workers' health and safety that are in line with our Code of Conduct.

Key dependencies

The timing and location of climate-related extreme weather events will continue to be increasingly volatile, limiting businesses' ability to predict and prepare effectively in all instances.

Risks and opportunities being managed

- Raw material supply — R
- Supply chain disruptions — R

Products and services

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. Burberry products are expertly crafted using materials of the highest quality and are designed to last, supported by our efforts to expand our offering of circular services.

To manage the environmental impact of our products, we work to increase the responsible sourcing of materials used within our products, and support material and product innovation. We also continue to expand our offering of circular services.

Responsible raw materials

To help us to deliver more sustainable luxury for our consumers, we look for ways to integrate more recycled content or increase the use of responsibly sourced materials in our products.

Our target is to achieve 100% certified and responsibly sourced key raw materials by FY 2029/30. To deliver on this objective, we take a portfolio approach to the selection of raw materials used in our products. Our Sustainable Raw Materials Portfolio (available via Burberryplc.com) sets out the accepted certifications and responsible sourcing criteria we require across our core raw materials, namely cotton, synthetics, viscose, wool, leather, feather and down. This approach enables us to champion the use of more responsibly sourced and lower-impact materials, and to track the progress of our target.

We also support efforts to scale the transition to regenerative agricultural practices across key supply chains. In support of our FLAG GHG reduction targets, we are looking to expand partnerships that support regenerative farming practices, such as our collaboration with Nativa and its NativaRegen programme, which takes a place-based approach to improving soil health, biodiversity, water stewardship and farmer livelihoods. Alongside other brands, we also participate in the Unlock programme, which is designing and implementing an innovative financing system to create incentives for cotton farmers to shift to lower-climate-impact cotton farming practices.

Regenerative wool

In partnership with PUR, a certified B Corp and provider of nature-based solutions, we worked between 2021 and 2025 with wool producers in Australia to promote regenerative farming practices across 12 farms. With support from PUR, the farmers are implementing practices such as seeding new pasture grasses, setting aside wildlife corridors and installing new fencing and paddocks to allow more rotational grazing.

To support our responsible sourcing efforts, we also work to improve our understanding of the environmental impacts of raw material production through participating in cross-industry research studies. Between 2022 and 2025, we supported a Life Cycle Assessment (LCA) study of cashmere production led by Textile Exchange. This initiative established a robust methodology for evaluating the environmental footprint of cashmere production, enabling a deeper understanding of cashmere production on GHG emissions and laying a foundation for industry collaboration on the sustainability of cashmere supply chains.

Risks and opportunities being managed

- Changing customer expectations — R O
- Brand image and reputation — R O
- Increased energy and water costs — R
- Raw material supply — R

Key dependencies

One of the biggest challenges facing fashion brands in decarbonising their products is that demand for responsibly produced raw materials is growing faster than the supply available. We partner with other brands through programmes such as Unlock to provide the long-term demand signals to growers, farmers and raw material producers required to de-risk the scaling of supply.

The industry also faces challenges in tracing the origins of materials, preventing the validation of the sustainability benefits from more responsible production methods. Further details on our work to strengthen our approach to the traceability of Burberry's raw materials can be found in our latest Annual Report, available via Burberryplc.com.

Materials and process innovation

We continue to research and source next-generation materials and materials produced using innovative processes to support our decarbonisation efforts. We work with existing suppliers and start-ups to scale these solutions into our business.

For example, we have trialled the use of an innovative waterless dyeing technology for fabrics, which helps to mitigate the risk of water stress by replacing conventional dyeing technology. The technique does not impact product performance, which ensures durability for our final customers. We are keen to expand our scope to other raw materials such as nylon and cotton, recognising that adopting such technologies could support suppliers and brands in avoiding water-related supply chain disruptions.

We are also committed to finding new ways to repurpose unavoidable production waste through new production processes. See page 18 for how we are exploring textile-to-textile recycling.

B-Shield blend scarf using Brewed Protein

Building on our heritage of innovation, in 2024 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™. Brewed Protein™ fibre delivers lower cradle-to-gate GHG emissions at the fibre production stage compared to conventional cashmere.[5]

Woven in Italy, the scarf contains 62% wool, 8% cashmere and 30% Brewed Protein™, a lab-grown fibre that is produced through the fermentation of plant-based renewable ingredients. Through this process, the scarf retains the attributes of a traditional Burberry product, namely luxury quality, warmth, protection and durability.

Risks and opportunities being managed

- Changing customer expectations — R O
- Brand image and reputation — R O
- Policy uncertainty — R
- Increased energy and water costs — R
- Raw material supply — R

Key dependencies

Even when innovative materials exist, currently they are typically produced in small volumes. This limited scale can make such materials both costly and less competitive. Similarly, innovative materials must at least match the performance and durability standards expected by our customers to ensure that products remain both desirable and in circulation for longer.

Circular business models

Our commitment to extending the life of our products is a core aspect of our sustainability strategy. In action, this involves using high-quality materials, thoughtful design and durable construction, offering global ReBurberry services to help customers maintain and refresh their products and exploring ways to give products a life beyond their original use.

Burberry continues to expand its circular services as part of a broader ambition to extend the life of our products and minimise waste.

We have partnered with luxury fashion resale site Vestiaire Collective since FY 2023/24. In FY 2024/25, we achieved strong results with Trench Restored, a small-scale initiative through which we sourced and restored pre-1999 Burberry trench coats and resold them through curated pop-ups. Building on this momentum, we are planning to pilot a take-back programme in FY 2026/27 offering customers the opportunity to trade-in pre-loved Burberry trench coats in return for a gift card to spend in mainline stores.

Our repair and refresh services also continue to grow. These are now being scaled globally, supported by clear customer guidance both online and in stores. In FY 2024/25, we completed 34,950 repairs and 2,685 refreshes across multiple product categories. Momentum continued in FY 2025/26, during which we delivered 38,110 repairs and 2,909 refreshes.

We are also exploring creative approaches to using surplus materials. In the Spring 2025 Childrenswear collection, we introduced a remake capsule crafted from surplus fabrics, designed with labels that anticipate multiple future owners and celebrate the product's extended journey.

Risks and opportunities being managed

- Changing customer expectations — R O
- Brand image and reputation — R O
- Policy uncertainty — R
- Increased energy and water costs — R
- Raw material supply — R

Key dependencies

Circular models can require substantial initial investment in new infrastructure and capabilities (for example, reverse logistics, refurbishment facilities). Circular models must also match the ease of linear alternatives (such as simple collection processes) to incentivise adoption. We therefore encourage policies that support the scaling of circular business models and repair services for consumers.

5. On average, the cradle-to-gate life cycle impact of producing 1kg of Brewed Protein™ fibre for GHG emissions is 37kgCO_2e, compared with 41kgCO_2e for merino wool and 173kgCO_2e for cashmere, based on a July 2023 Life Cycle Assessment conducted in accordance with ISO 14040/14044 guidelines.

Tackling nature loss

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.

We have committed to voluntarily adopting the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), as we expand our assessment of nature-related impacts, dependencies, risks and opportunities. See our latest Annual Report (available via Burberryplc.com) for further details on our TNFD disclosures and assessment methodologies.

To manage our material nature-related impacts, dependencies, risks and opportunities, we follow the Science Based Targets Network's Action Framework. 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.

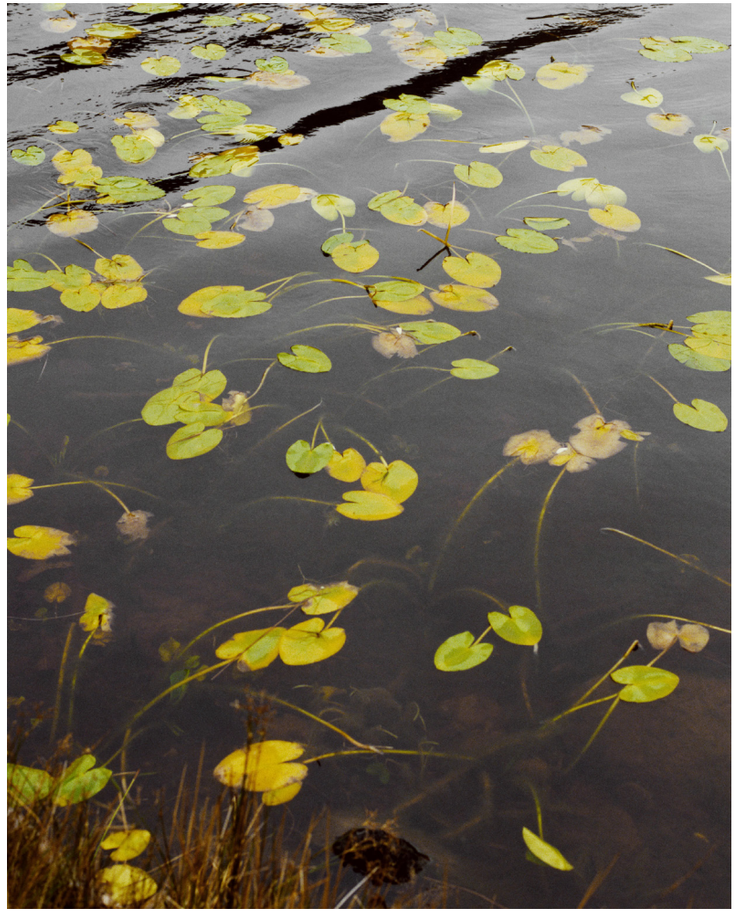
Forests and biodiversity

We recognise the importance to global climate action of preserving natural forests and biodiversity, with the FLAG sector contributing more than 20% of GHG emissions globally. We are therefore committed to achieving no-deforestation across primary deforestation-linked commodities (including bovine leather, viscose, paper and wood) by FY 2029/30.

To meet our commitment, we undertake supply chain mapping, risk assessments, monitoring and verification, and progress reporting. This approach includes direct engagement with suppliers to verify the deforestation-free status of primary deforestation-linked commodities. Burberry's criteria for verifying the deforestation-free status of primary deforestation-linked commodities considers location of sourcing, traceability, certification, and/or supplier declarations. Further details on our approach to deforestation risk management can be found in Burberry's Annual Reports, which can be found on Burberryplc.com.

We do not permit the use of any material listed as endangered on the International Union for Conservation of Nature and Natural Resources 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 the Convention on International Trade in Endangered Species of Wild Fauna and Flora.

In accordance with the Burberry Global Environmental Policy, we require Business Associates[6] to undertake action related to biodiversity and ecosystem protection, including compliance with all applicable nature protection legislation. All Burberry Business Associates must also ensure that materials used in our products, packaging and goods not for resale have not directly or indirectly caused or contributed to deforestation or forest degradation.



6. Business Associates include, but are not limited to, raw material suppliers, finished goods suppliers, subcontractors, supporting facilities, non-stock suppliers, construction contractors, licensees and franchisees.

Hainan Net-Zero Project

Burberry provides financial support to 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 first two years of the project, this collaboration 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.

Water security

As a fashion brand we are increasingly aware of the interconnections between water and climate change. Climate change disrupts the water cycle, leading to both water scarcity and more extreme events like floods and droughts, which can impact the production of raw materials, the operation of manufacturing facilities, and the transportation of goods. See Climate adaptation (page 19) for further details on our approach to water-related risks.

Chemical management

Effective chemical management is essential for preventing nature loss while also mitigating climate change. 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.

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. We implement, monitor and continuously improve our Chemical Management Programme with the use of the latest guidelines from the Zero Discharge of Hazardous Chemicals Roadmap to Zero, the Burberry Chemical Management Manual and the Burberry Product Restricted Substances List.

Risks and opportunities being managed

- Brand image and reputation — R O
- Policy uncertainty — R
- Increased energy and water costs — R
- Raw material supply — R
- Supply chain disruptions — R

Key dependencies

Nature-related impacts and dependencies are typically localised and context specific. The availability of robust and consistent nature-related data across the fashion supply chain is therefore a challenge. Our traceability programme works with partners to improve the visibility of where and how materials used within Burberry's products are produced, helping us to identify and assess material nature-related risks and opportunities.

Actions required to manage material nature-related risks and opportunities, such as assisting farmers in adopting regenerative agriculture or supporting wider ecosystem restoration programmes, are typically complex and long term. Multi-stakeholder, jurisdictional-scale programmes are typically required to deliver the required scale of impact in a cost-effective manner for participants. We increasingly work through partnerships such as The Fashion Pact and Textile Exchange to identify opportunities for such programmes.

Supporting a Just Transition

Supporting a Just Transition means ensuring that our efforts to tackle climate change do not cause or contribute to adverse human rights impacts. Rather, where possible, we aim to maximise the social and economic benefits of such efforts.

Our Code of Conduct includes our Ethical Trading Code of Conduct and Human Rights Policy, which set out standards to protect the rights of workers across our supply chain and wider value chain. Burberry's Code of Conduct also includes policies that aim to protect vulnerable workers, such as our Migrant Worker Policy and Child Labour and Young Worker Policy.

These policies are made publicly available on Burberryplc.com and further details are provided on page 25.

Through our internal health and safety and supply chain due diligence processes, we appraise facilities operated by Burberry and our supply chain partners regarding their management of working conditions, including extreme heat risk.

We also work to mitigate the negative impacts of fossil fuel combustion on workers within our supply chain by working with RE100. This collaboration seeks to advocate for greater access to affordable renewable electricity in countries in which our supply chain partners operate. In addition, compliance with our Global Environmental Policy does not allow new coal power installations within Tier 1 and Tier 2 suppliers' facilities, limiting the exposure of workers to health and safety risks.

We recognise that we are at the beginning of our journey to understand the risks and opportunities at the intersection of climate and human rights. Therefore, we commit to undertaking an assessment in FY 2026/27 of the potential impacts to people across our supply chain that may arise from the actions set out in this Transition Plan, as a guide for further action.

Enablers

Policies and conditions

Our policies apply to all Burberry operations and compliance is mandatory for all Business Associates.

Burberry engages key stakeholders, including industry partners, government bodies and non-governmental organisations, in the setting and implementation of our policies. Regular training and communication on our policies is key to our management of environmental risks.

Policies which support the delivery of our Climate Transition Plan objectives include:

- Our **Global Environmental Policy** which establishes Burberry's commitment to achieving net zero and to preventing or minimising any potential negative impacts on the environment along Burberry's value chain.
- Our **Responsible Raw Materials Sourcing Policy** which establishes our commitments to ensuring 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.
- Our **Human Rights Policy**, which sets out standards to protect the rights of workers across our supply chain, is underpinned by the International Bill of Human Rights and the Fundamental Conventions of the International Labour Organization. We recognise the increasing interconnectedness between climate risk and social risk, with the effects of climate change impacting the full enjoyment of human rights. Further details are provided on page 24.

These policies are made publicly available on Burberryplc.com and are shared with employees, contractors and Business Associates during their onboarding as part of their contractual compliance obligations.

We review our policies against the latest best practice guidelines and emerging regulatory requirements and update them where needed.

Financial planning

At Burberry, we believe our long-term success depends on actively addressing the potential impact of climate-related risks, adapting to potential opportunities and transitioning to net zero. Where such actions have quantifiable investments associated with them, these are embedded within our Board-approved financial plans, which are translated into annual budgets (Figure 1).

We reflect the incurred costs and investments associated with our sustainability strategy in the Group's financial statements, including within inventories, property, plant and equipment, and operating profit. Further information can be found in Burberry's Annual Reports, which can be found on Burberryplc.com.

However, the costs and investments associated with this Climate Transition Plan are not all separately identifiable. Our sourcing of certified and responsible raw materials, for example, is key to reducing the carbon footprint of our products. However, it is impossible to separate the additional cost associated with sustainability benefits from other cost variables such as material composition, quality and design.

Additionally, as detailed throughout this Climate Transition Plan, the realisation of our climate targets has significant dependency on emerging decarbonisation solutions for which the costs are currently difficult to accurately forecast across a medium- or longer-term time horizon.

Figure 1 Process for integrating actions in support of the Climate Transition Plan into Burberry's financial planning process.

Carbon pricing

As we continue to identify ways to reduce our GHG emissions, we are also exploring tools to do so in the most cost-effective manner. An internal carbon price (ICP) may enable us to further incorporate GHG emissions into financial decision-making processes while generating internal financing for GHG reduction efforts across our operations and supply chain.

In FY 2026/27, we plan to implement a shadow ICP, initially focused on business travel. Business functions will be allocated a carbon budget for the year, with internal reporting provided to functional leads detailing the impact of their function's business travel on their carbon budget and the associated cost of carbon.

We will also explore establishing a future internal carbon fee, whereby if an allocated carbon budget is exceeded then the internal carbon fee is applied.

Burberry also uses carbon prices to consider future climate-related risks through our climate scenario analysis. In our most recent assessment, the global average carbon prices (per tonne of CO_2e) reached by the end of our scenario modelling period (FY 2030/31) under different warming scenarios were:

- Net Zero 2050 – $246 USD
- NDCs – $63 USD
- Current policies – $6 USD

Higher carbon prices may lead to increases in costs of production, distribution and raw materials, with higher carbon prices required globally to achieve lower temperature scenarios (e.g. Net Zero 2050).

The assessment informs our identification of policy uncertainty as a material transition risk (see page 8). The results of our most recent climate scenario analysis assessment, and the assessment methodology, can be found in our TCFD disclosures in our latest Annual Report, available at Burberryplc.com.

Carbon credits

We plan to achieve net zero by FY 2049/50 by first working towards the level of emissions reductions stated within our GHG targets, before neutralising our residual emissions with limited use of high-integrity and certified carbon removal credits from FY 2049/50 onwards. This approach is in line with the SBTi's Corporate Net-Zero Standard.

From FY 2026/27 onwards, we will develop our plan for neutralising our residual emissions, taking into consideration voluntary carbon market integrity initiatives (such as The Integrity Council for the Voluntary Carbon Market's Core Carbon Principles (2023) and the SBTi's standards).

Engagement strategy

Engaging across our value chain and collaborating with partners is essential to achieving the objectives of this Climate Transition Plan and managing the dependencies outlined in our implementation strategy. This includes governments and regulators, trade associations, consumers and key industry partners.

Engagement through trade associations

We regularly engage and collaborate with our industry trade associations and partners, by participating in consultations, steering committees and working groups.

In FY 2025/26, we conducted a review of our main trade associations to ensure their alignment with the Paris Agreement and our climate policy positions, which include:

- **Climate Ambition:** Encouraging support for the UK Government's net zero ambitions and support for the fashion sector to set science-based targets.
- **Renewable Energy:** Advocating for policies that enable the uptake of renewable energy sourcing in supply chains in key regions.
- **Circularity and Innovation:** Supporting the shift to a circular economy and ecodesign of products, encourage policies that support the scaling of circular business models and repair services for consumers.
- **Deforestation Free Commodities:** Advocating for policies that facilitate the maintenance of deforestation-free supply chains.
- **Nature and Biodiversity:** Encouraging policymakers to put forward conditions for businesses that help to reach the goals of the Global Biodiversity Framework, reverse nature loss and value nature in policy decisions.

As a global business, we are active members of key trade associations representing the fashion, luxury, and retail sectors in the UK and internationally. In support of the UK fashion ecosystem, we work closely with the British Fashion Council (BFC), the British Retail Consortium (BRC) and the UK Fashion & Textile Association (UKFT).

We are also members of Walpole, representing the UK's luxury industry, and by extension, the European Creative and Cultural Industries Alliance (ECCIA), a coalition of leading UK and European luxury and high-end industry associations that advocates for the sector's long-term competitiveness and growth.

Engagement with industry and business partnerships

We work with several industry organisations focused on supporting the transition to a low-carbon fashion industry. Our key industry partnerships are detailed below.

Fashion Industry Charter for Climate Action

Burberry is a signatory to the UN's Fashion Industry Charter for Climate Action which aims to drive change across the fashion industry, with an initial goal of reducing aggregate GHG emissions by 30% by 2030. Aligned with the goals of the Paris Agreement, the Charter defines the issues that will be addressed by signatories. Burberry is working to meet the Charter's requirements of signatories, including setting science-based emissions reduction targets; sourcing 100% of electricity from renewable sources across our owned and operated facilities; and publicly reporting our GHG emissions on an annual basis via CDP.

The Fashion Pact

We are members of The Fashion Pact, a global initiative of companies in the fashion industry, which aims to forge a nature-positive, net zero future for fashion. This partnership provides support to both the Product and Planet pillars of our Burberry Beyond strategy. The Fashion Pact's European Accelerator 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.

Corporate Water Leaders

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. The initiative is led by Global Water Intelligence (GWI). We are members 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.

Textile Exchange

We are a member of the Textile Exchange, a global not-for-profit organisation driving positive action on climate change. We participate in the Textile Exchange's annual Corporate Fibre and Materials Benchmark (CFMB) survey and a part of a cross-industry LCA coordinated by the Textile Exchange to better understand opportunities to improve the environmental impact of cashmere production.

RE100

We are members of the RE100, a global initiative of influential businesses committed to sourcing 100% renewable electricity across their operations. We support RE100's policy advocacy activities in countries in which we or our suppliers operate, and where there is limited access to affordable renewable electricity supplies.

Engagement with government, public sector and civil society

We continually monitor changes in government policy. A key part of this is regulatory compliance horizon scanning to stay up to date with new and upcoming sustainability regulations. These updates are assessed through our Product Sustainability Regulatory Working Group to ensure compliance and readiness.

We continue to communicate with governments around the world on key issues and solutions, for instance, participating in round tables and providing evidence for consultations in the UK and Europe. Our engagement activities allow us to meaningfully contribute indirectly to policy discussions with UK and global legislative bodies relevant to Burberry, bringing the voice of our business to the discussions in line with our Climate Transition Plan key priority areas.

Extended Producer Responsibility (EPR) Sandbox Project

We recognise that moving to a circular economy cannot be achieved in isolation. During FY 2024/25, we contributed to an industry-led Extended Producer Responsibility (EPR) Sandbox Project. With support from the UK Fashion & Textile Association (UKFT), the British Fashion Council (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.

Through the Burberry Foundation, an independent charity (UK registered charity number 1154468) and its flagship programme Burberry Inspire, we actively engage community-based youth organisations to reach young people and create opportunities for them to unlock their creativity and drive positive change in their lives and communities. Burberry Inspire is comprised of a network of partnerships in nine regions across the world, ensuring that the programme creates impact at both a global and local level.

Creative partnerships and education

As a creative business, we also explore how we can drive the objectives of our Climate Transition Plan through our creative partnerships.

For example, in FY 2024/25, Burberry partnered with the Centre for Sustainable Fashion (CSF), at the London College of Fashion (LCF), part of the University of the Arts London (UAL), to launch the 'Reimaging Materials' competition. This initiative brought together talented fashion students and members of Burberry's creative and commercial teams to explore the theme of circularity. LCF students were challenged to reinvent surplus fabrics – including Burberry's iconic trench gabardine and check lining fabric, as well as leather and a selection of trims – into original products. It offered the students an opportunity to showcase their creativity through a series of review sessions, and a chance to learn from Burberry experts. Among the prizes awarded, the winner received an internship with Burberry in the autumn of 2025.

Metrics and targets

Greenhouse gas emissions data

Scope 1 and 2

Burberry is a global company. Our worldwide presence spans head offices, manufacturing and distribution sites and retail spaces across more than 30 countries. All owned or leased sites within Burberry's operational control are included within our Scope 1 and 2 footprint.

Scope 1 and 2 GHG emissions (tonnes CO_2e)	FY 2025/26	FY 2024/25	FY 2016/17 baseline
Scope 1 – Combustion of fuel in company-owned vehicles and in the operation of facilities	**1,430**	1,538	2,128
Scope 2 – Electricity purchased and used for operations (location based)	**15,129**	16,347	31,647
Scope 2 – Electricity purchased and used for operations (market based)	**0**	0	22,442
Scope 1 and 2 – Total emissions (location based)	**16,560**	17,885	33,775
Scope 1 and 2 – Total emissions (market based)	**1,430**	1,538	24,570

Scope 3

Like many of our retailer peers, Scope 3 emissions represent our biggest impact, accounting for over 99% of our total emissions. This requires us to work closely with suppliers and other partners to collect the data that informs our Scope 3 footprint.

Scope 3 GHG emissions (tonnes CO_2e)	FY 2025/26	FY 2024/25	FY 2018/19 baseline
Cat 1: Purchased goods and services	**209,245**	206,709	251,004
Cat 2: Capital goods	**21,906**	23,558	12,474
Cat 3: Fuel and energy-related activities (not included in Scope 1 and 2)	**4,126**	4,233	4,625
Cat 4: Upstream transportation and distribution	**29,286**	41,628	65,546
Cat 5: Waste generated in operations	**104**	1,192	5,137
Cat 6: Business travel	**5,958**	4,566	8,733
Cat 7: Employee commuting	**2,960**	2,542	4,784
Cat 9: Downstream transportation and distribution	**1,005**	1,263	-
Cat 12: End-of-life treatment of sold products	**581**	697	1,105
Scope 3 total	**275,172**	286,387	353,407
Scope 3 total (non-FLAG)	**224,286**	239,773	281,182
Scope 3 total (FLAG)	**50,886**	46,614	72,226

Note: Scope 3 categories not included are deemed not relevant to footprint and are excluded from target and reporting boundary. Categories 1 and 2 are split between non-FLAG and FLAG emissions. All other categories are non-FLAG only.

Burberry uses the GHG Protocol standards and guidance to estimate emissions (using a location- and market-based approach to reporting Scope 2 emissions) and applies conversion factors from UK DESNZ (2025), the International Energy Agency (2025), The Higg Materials Sustainability Index and the Comprehensive Environmental Data Archive. All material sources of emissions are reported.

Further information on our GHG accounting methodologies and assurance can be found in Burberry's latest Annual Report and in our Sustainability Basis of Reporting FY 2025/26, both available on Burberryplc.com.

Revisions to our GHG accounting

We measure our Scope 1, 2 and 3 GHG emissions on an annual basis in accordance with GHG Protocol standards and guidance. As our access to data improves and external standards are refined, we continue to evolve our methodology to ensure that our reported data is as accurate, transparent and actionable as possible.

In FY 2025/26, we re-baselined our FY 2018/19 and FY 2024/25 Scope 3 GHG inventory to account for the latest GHG Protocol standards and guidance, greater supply chain data availability and new industry Life Cycle Assessment studies.

While re-baselining resulted in adjustments to our previously reported figures, the process has improved consistency and comparability of our reported impacts across financial years. This enables Burberry to track progress against our GHG targets with greater integrity and to ensure that our emissions reduction strategies are as targeted and effective as possible.

In addition, re-baselining allowed us to split Burberry's GHG inventory by FLAG and non-FLAG emissions, as required by the GHG Protocol's Land Sector and Removals Standard. This facilitates greater understanding of our climate impacts related to land use, land management and land use change, and has enabled the update of our Scope 3 near-term targets (see page 13 for details about our target revisions).

Targets

Our long-term target is to reach net-zero emissions by FY 2049/50, which is supported by near-term interim targets. These will be submitted for validation by the SBTi for their alignment with an economy-wide pathway for limiting global warming to 1.5°C above pre-industrial levels by 2100.

Performance against Burberry's targets is monitored through our governance structures detailed on pages 31-32. Further details on our SBTi-aligned GHG targets can be found on page 34.

Emissions scopes and types

GHGs, such as carbon dioxide (CO_2) and methane (CH_4), cause climate change by trapping heat within the earth's atmosphere.

There are three classifications used to measure GHG emissions based on their source within a company's operations and value chain:

- **Scope 1** emissions are directly released into the atmosphere when a company burns fossil fuels (such as petrol, diesel or natural gas) in equipment it operates or industrial processes, or releases gases containing GHGs (such as fluorinated gases, known as F-gases), which can leak from chemicals used in cooling equipment or fire suppressant systems.
- **Scope 2** emissions are those released into the atmosphere to generate the energy purchased and used by a company in its operations (for example the emissions released by a power plant to generate electricity). Scope 2 emissions can be calculated based on the location where the energy is used (called location-based) or on contractual agreements (such as renewable energy certificates) that specify the source used to generate the energy (called market-based).

  Collectively, we refer to Scope 1 and 2 emissions as our operational emissions.
- **Scope 3** emissions are released into the atmosphere as an indirect result of a company's activities or business model. They originate from the production of goods and services that the company buys (upstream emissions), the use of its products or services by its customers (downstream emissions) or the activities that it finances through its investments.

  Collectively, we refer to Scope 1, 2 and 3 emissions as our value chain emissions.

FLAG (Forests, Land and Agriculture) emissions refer to GHG emissions and removals from land-based activities, including land use change and land management. Non-FLAG emissions encompass all other GHG emissions not directly related to these land-based activities, such as those from energy or industrial processes.

Governance

Board oversight and reporting

Sustainability is an essential element of Burberry's strategy. Accordingly, the Board is responsible for ensuring that our approach to sustainability is integrated into and implemented across the business.

This Climate Transition Plan and our updated GHG targets detailed on page 34 were reviewed and approved by the Board in March 2026. The Board will continue to receive updates every six months on progress against this Climate Transition Plan and our GHG targets as part of its responsibility for monitoring progress against our Burberry Beyond strategy.

As part of its ongoing review of Board composition, the Board considers whether it has the appropriate skills and competencies to oversee the delivery of Burberry's sustainability strategy (Burberry Beyond) including the Climate Transition Plan. Where required, additional training will be provided. To support the Board in its review and ongoing monitoring of this Climate Transition Plan, the Board undertook carbon literacy training in February 2026.

Management structure

Burberry's Chief Executive Officer is accountable for implementing Burberry Beyond at the executive level and delegates day-to-day management of environmental and social responsibility matters (including the implementation of this Climate Transition Plan) to Burberry's Corporate Responsibility team, which is led by the Vice President of Corporate Responsibility.

The Company's Sustainability Committee, which is chaired by the Chief Executive Officer, is responsible for reviewing and overseeing the targets relating to the Product and Planet pillars of Burberry's sustainability strategy, Burberry Beyond (see page 11).

The Committee receives regular updates on the management of climate-related risks and opportunities, and progress towards climate-related targets. In March 2026, the Committee reviewed and recommended Burberry's updated GHG targets and the associated delivery plans to the Board for approval.

Culture, skills and training

We are building capabilities across the business to ensure teams have the relevant sustainability-related knowledge and skills to support decision-making.

We 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 quarterly sustainability newsletter featuring product launches, industry news and updates, as well as learning resources.

Beyond digital engagement, Burberry also connects with colleagues through in-person events, such as the Sustainable Product and ReBurberry Showcase. This event invites colleagues to learn more about various Burberry sustainability initiatives and experience our circular services first-hand, including our Cashmere and Leather Refresh services as well as fragrance refills.

Each year Burberry provides training to supply chain and product development colleagues on sustainability topics, including product sustainability, responsible sourcing and the Burberry Beyond strategy. We have also introduced targeted training programmes for product teams, including Green Claims Training and Circular Design Training.

In FY 2024/25, we launched Choose Our Future: The Climate Game. Designed by Burberry colleagues, the digital tool is a tailored learning experience aiming to equip teams with the knowledge they need to enable lower-carbon-impact decision-making.

We have also embedded key sustainability roles within functions – such as a Material Innovation Senior Manager in Fabric Development, a Circular Business Manager within Merchandising and Planning, a Sustainable Finance team within Finance, and Sustainable Manufacturing and ESG Operations teams within Supply Chain – to accelerate delivery of the objectives set out in this Climate Transition Plan.

We will continue to expand our sustainability training and engagement, with a particular focus on developing the relevant skills, knowledge and competencies required for colleagues to contribute to the delivery of our strategy.

Incentives and remuneration

The remuneration of Burberry's Executive Directors is partly linked to our progress in building a more sustainable future, including progress towards Burberry's longer-term climate goals, via the annual bonus plan and long-term incentive plan.

Further detail on how sustainability is considered within remuneration is set out in our latest Annual Report, which can be found on Burberryplc.com.

Controls and procedures

This Climate Transition Plan has been prepared with reference to the Transition Plan Taskforce Disclosure Framework by Burberry's Corporate Responsibility team. Its development was informed by stakeholders from across Burberry, and overseen by an internal Transition Plan Steering Committee chaired by Burberry's General Counsel. It has also received approval from the Board, outlined in the Board's responsibilities detailed above ('Board oversight').

Members of the Transition Plan Steering Committee undertook a series of educational sessions throughout FY 2025/26, covering topics ranging from FLAG emissions targets to voluntary carbon markets, to support their ability to oversee the development of this Climate Transition Plan.

Burberry's GHG emissions data are subject to third-party limited assurance (see our latest Annual Report, available on Burberryplc.com, for further details), and this Climate Transition Plan has been reviewed by external legal counsel.

Feedback mechanisms

This Climate Transition Plan is not subject to shareholder approval but is made publicly available for all of Burberry's stakeholders.

If you have questions or feedback related to this Climate Transition Plan, please contact our Corporate Responsibility team at Corporate.Responsibility@burberry.com.

Our shareholders can submit feedback or questions about this Climate Transition Plan by contacting our Investor Relations team at Investor.Relations@burberry.com.

Appendix

Transition Plan Taskforce alignment index

The following table outlines the alignment of this Climate Transition Plan with the requirements of the IFRS Foundation's Transition Plan Taskforce Disclosure Framework, which sets out good practice for robust and credible transition plan disclosures.

TPT Pillar	TPT Sub-Section	Relevant pages	Alignment	Opportunities for further TPT alignment
1. Foundations	1.1 Strategic ambition	11-13	P	• Further assessment of the impacts and dependencies of this Climate Transition Plan on stakeholders throughout our value chain such as supply chain workers (see 'Supporting our Just Transition', page 24).
	1.2 Business model and value chain	5-6	P	• Further assessment of the timeframes over which significant changes to Burberry's business model and value chain are expected to occur as a result of this Climate Transition Plan.
	1.3 Key assumptions and external factors	14	P	• Further assessment of the risks and opportunities to the delivery of this Climate Transition Plan from the key dependencies identified on page 14.
2. Implementation Strategy	2.1 Business operations	15-16	P	• Further assessment of the potential quantitative contribution of actions towards the delivery of Burberry's GHG targets.
	2.2 Products and services	17-21	P	
	2.3 Policies and conditions	25	F	–
	2.4 Financial planning	25-26	P	• Further disclosure of how the implementation of this Climate Transition Plan will affect Burberry's financial position, financial performance and cash flows over different timeframes (unless such effects are determined to not be separately identifiable or the level of measurement uncertainty involved in estimating those effects is so high that the resulting quantitative information would not be useful).
3.1 Engagement Strategy	3.1 Engagement with value chain	27-28	P	• Further disclosure of how Burberry assesses and prioritises engagement activities to maximise its contribution to this Climate Transition Plan. • Development of escalation processes or criteria to manage instances where engagement activities do not lead to the desired changes.
	3.2 Engagement with industry	27	P	
	3.3 Engagement with government, public sector, communities and civil society	28	P	
4. Metrics and Targets	4.1 Governance, engagement, business and operational metrics and targets	13	P	• Further development of metrics and targets related to value chain engagement and for Burberry products and services.
	4.2 Financial metrics and targets	N/A	N	• Development of financial metrics and targets for monitoring progress towards the objectives of this Climate Transition Plan.
	4.3 GHG metrics and targets	10, 13, 29-30	F	–
	4.4 Carbon credits	26	F	–
5. Governance	5.1 Board oversight and reporting	31	F	–
	5.2 Management, roles, responsibility and accountability	31	F	–
	5.3 Culture	31	P	• Further development of colleague engagement and training plans.
	5.4 Incentives and remuneration	32	P	• Disclosure of how incentives have supported the delivery of this Climate Transition Plan.
	5.5 Skills, competencies and training	31	F	–

F Fully aligned P Partially aligned N Not yet aligned

Details of Burberry's Net Zero targets

	Scope 1 and 2	Scope 3	
FLAG/ Non-FLAG	Non-FLAG	Non-FLAG	FLAG
Interim targets	Reduce Scope 1 and 2 emissions by 95% by FY 2026/27	Reduce Scope 3 non-FLAG emissions by 46.2% by FY 2029/30	Reduce Scope 3 FLAG emissions by 30.3% by FY 2029/30
Target boundary	Energy use within Burberry's owned or leased sites Fuel consumption from company cars in Italy	All Scope 3 emissions within our non-FLAG GHG inventory	All Scope 3 emissions within our FLAG GHG inventory
Target period	FY 2016/17 – FY 2049/50	FY 2018/19 – FY 2049/50	FY 2018/19 – FY 2049/50
Absolute/intensity	Absolute	Absolute	Absolute
Science-based temperature alignment	1.5°C	1.5°C	1.5°C

Resources

The following resources provide further information on Burberry's approach to sustainability. For more, please visit www.burberryplc.com/impact/burberry-beyond/planet

Item	Description
Burberry Annual Report FY 2025/26	Burberry's 2025/26 Annual Report and Accounts.
Burberry Sustainability Basis of Reporting	Document setting out the principles, criteria and methodologies for collecting and calculating data relating to selected Sustainability Indicators.
EY's Independent Assurance Statement FY 2025/26	Independent limited assurance report to the Directors of Burberry Group plc on select Key Performance Indicators (KPI) within Burberry Group plc's Annual Report.
Burberry's Global Environmental Policy	Burberry's policy for minimising our environmental impact and helping to tackle global environmental challenges including climate change, biodiversity loss and deforestation.
Burberry's Responsible Raw Materials Sourcing Policy	Burberry's policy for ensuring that the materials used in our products are responsibly sourced to protect the environment and benefit people and communities across our value chain.

Glossary

Term	Definition
Climate Transition Plan	A Climate Transition Plan is a clear time-bound plan outlining how a business will contribute to and prepare for a rapid global transition towards a low-GHG emissions economy.
Forest, Land and Agriculture (FLAG) emissions	FLAG emissions specifically refer to GHG emissions and removals from land-based activities, including land use change and land management. Non-FLAG emissions, on the other hand, encompass all other GHG emissions not directly related to these land-based activities, such as those from energy or industrial processes.
Greenhouse gases (GHGs)	Greenhouse gases (GHGs) are gases in the Earth's atmosphere that can trap heat, for example, carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), ozone (O_3), water vapour and certain fluorinated gases.
Scope 1	Direct GHG emissions that occur from sources that are owned or controlled by the reporting entity, including fuel combustion; company vehicles; fugitive emissions.
Scope 2	Indirect GHG emissions associated with the generation of purchased energy consumed by the reporting entity, including purchased electricity, heat and steam.
Scope 3	All other indirect GHG emissions that occur in the value chain of the reporting entity, from both upstream and downstream activities.
Task Force on Climate-related Financial Disclosures (TCFD)	The TCFD was created by the Financial Stability Board to improve and increase reporting of climate-related financial information.
Science Based Targets initiative (SBTi)	The SBTi drives ambitious climate action in the private sector by enabling organisations to set science-based emissions reduction targets.
Task Force on Nature-related Financial Disclosures (TNFD)	The TNFD has developed recommendations and guidance designed to help organisations to report and act on evolving nature-related issues with the ultimate aim of supporting a shift in global financial flows toward nature-positive outcomes.

Cautionary note on forward-looking statements

This plan contains certain forward-looking statements, including in relation to Burberry Group plc's emissions reduction targets, strategy and actions and other climate-related matters. Forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "aim", "believe", "could", "estimate", "expect", "intend", "may", "objective", "outlook", "plan", "target", "will" and similar words and expressions. These statements inherently involve uncertainty and are subject to a number of risks and assumptions since future events and circumstances can cause actual results and developments to differ materially from those anticipated and may not entirely be within our control. Readers should not place undue reliance on forward-looking statements. The forward-looking statements reflect knowledge and information available at the date of preparation of this document and unless otherwise required by applicable law the Company undertakes no obligation to update or revise these forward-looking statements.

Climate, nature, circular economy and sustainability-related disclosures, especially forward-looking statements, remain under development and are subject to greater uncertainty than other disclosures, as relevant knowledge, models and methodologies are nascent and evolving, and there are challenges with current data availability and reliability.

The disclosures are also of a long-term nature and rely on third-party information, and are subject to other factors, such as the developing policy and regulatory landscape, socio-political environment and market practice. As such, the information contained in this plan may evolve as market practice and data quality and availability develop, and underlying uncertainties, assumptions and estimates change. These factors could also lead to actual achievements, results, performance or other future events or conditions differing from those stated, implied and/or reflected in any forward-looking statements or metrics included in our climate and sustainability disclosures.

Nothing in this document should be construed as a profit forecast. All members, wherever located, should consult any additional disclosures that Burberry Group plc may make in any regulatory announcements or documents which it publishes. References to the Burberry website or to other websites in this document are included for convenience only and, unless expressly stated otherwise, information on those websites is not incorporated into, and does not form part of, this document. This document does not constitute an offer, invitation, solicitation, advice or recommendation to buy, sell, underwrite, subscribe for or otherwise acquire or dispose of any securities or financial instruments, including Burberry Group plc shares, in the UK, in the USA, or any other jurisdiction, including under the USA Securities Act 1933, as amended.