



**“While we continue
our recovery and
transformation journey,
we are building strong
momentum.”**

THIS FINANCIAL YEAR MARKS AN INFLECTION FOR BURBERRY

Dear Shareholder,

This has been a year of recovery and gathering momentum for Burberry. We have begun to see tangible results from Burberry Forward, our strategic plan introduced in November 2024 under the leadership of our Chief Executive Officer, Joshua Schulman.

Strategic progress

As Josh outlines in his letter, his second year as Chief Executive Officer marked an inflection as he accelerated the execution of Burberry Forward to reignite brand desire, improve performance and drive long-term value creation, while keeping our customer at the centre of everything we do. As a result, we delivered a 2% improvement in year-on-year comparable sales growth, and significantly improved profitability. The Board also approved the actions needed to reset the size of the organisation and our cost structure to support our business transformation and our investment for growth in the longer term.

Shareholder returns

As previously mentioned, in July 2024, we made the decision to suspend dividend payments in respect of FY 2024/25. In line with our Capital Allocation Framework, we have maintained this prudent approach for FY 2025/26 which will support the business as we execute Burberry Forward. While our priority is to reinvest in the business, our intention is to return to paying dividends as soon as possible, while maintaining a robust balance sheet. The Board welcomes discussions with shareholders and Directors have held several meetings during the financial year on a variety of topics including our Remuneration Policy consultation as explained below. For further information, see pages 141 to 177.

Purpose and values

Reflecting on our brand's legacy and enduring principles, in October 2025, the Board approved our reimagined purpose and values to embed the spirit of Burberry Forward into our business. Our purpose, To Embrace the Elements with Open Arms, and renewed values of Protect, Explore and Inspire were shared with global colleagues to guide how we think, act and make decisions across the business.

Sustainable business

Environmental and social responsibility remains a key focus for the Board, and we continue to make good progress against our sustainability goals and long-term climate ambition. During the year, the Board reviewed and approved refined sustainability targets and Burberry's first Climate Transition Plan. This includes extending our overall net zero target from FY 2039/40 to FY 2049/50 which reflects a greater understanding of our greenhouse gas (GHG) emissions across our value chain, investment in our data capabilities and the latest science-based methodologies, while considering progress across the industry and wider economy. We also continued to expand our Burberry Inspire programme through The Burberry Foundation, working with young people across the globe to inspire the next generation of creative talent.

Remuneration policy consultation

Our new Directors' Remuneration Policy, details of which can be found on pages 150 to 160, will be presented to shareholders for approval at our 2026 Annual General Meeting (AGM). Following the normal three-year cycle, the policy approved in 2023 will expire on that day. When preparing the new policy, we initiated a shareholder engagement programme, led by Danuta Gray, Chair of our Remuneration Committee, and me, which included contacting shareholders controlling approximately 60% of our issued share capital. Danuta's letter on pages 141 to 145, provides more details with respect to that consultation process and the proposed policy which aims to further support the delivery of our strategy while continuing to retain, recruit and incentivise our management team.

Board changes

Following our 2025 AGM, Fabiola Arredondo, Sam Fischer and Antoine de Saint-Affrique stepped down as Non-Executive Directors. On behalf of the Board, I thank Fabiola, Sam and Antoine for sharing their talent and insights with Burberry and for their valuable contributions to our Company during their tenures.

I have decided to retire from the Board, having served as Chair since 2018. William Jackson has been appointed Non-Executive Director and Chair-designate, effective 1 July 2026 and will succeed me as Chair with effect from the date of our interim results in November 2026. I'm very much looking forward to working closely with William over the coming months to support this transition.

It has been a privilege to serve as Chair of this extraordinary 170-year-old brand since 2018. I would like to thank Board members past and present for their unwavering commitment and continued support. I am very confident that, under William's and Josh's leadership, this unique and special business is well positioned for the future.

Looking ahead

Burberry is a business that never stands still. While we continue our recovery and transformation journey, we are building strong momentum. As we mark our 170th year, I am reminded of the enduring strength and resilience of Burberry, a brand with a rich heritage of creativity and innovation. In this spirit, I would like to take this opportunity to thank our colleagues across the globe, the Board, our shareholders and customers for their continued support.

Gerry Murphy

Chair



“My confidence in this extraordinary 170-year-old British luxury brand is stronger than ever.”

OUR BURBERRY FORWARD STRATEGY IS WORKING AND THERE ARE CLEAR OPPORTUNITIES FOR FURTHER GROWTH

Dear Shareholder,

When I wrote to you one year ago, we were in the early phase of our Burberry Forward transformation, deeply focused on stabilising the business and recovering our operational and financial performance. As I approach the end of my second year as Burberry's Chief Executive Officer, I am proud of the progress we have made in FY 2025/26.

This financial year has marked a meaningful inflection point for Burberry. We have returned to profitable comparable sales growth, with a strong fourth quarter driven by momentum in Greater China and the Americas. Our strategy is working, and there are clear opportunities for further growth.

As we look ahead, our focus is on disciplined execution of Burberry Forward. I am more confident than ever that Burberry is firmly positioned for long-term value creation.

FY 2025/26 performance

Burberry's performance in the financial year reflects consistent execution of our strategy across all four pillars, with the customer at the centre. For FY 2025/26:

- Revenue was £2,420 million, flat at constant exchange rates
- Adjusted operating profit was £160 million, an increase of 551% at constant exchange rates
- Reported operating profit was £115 million
- Adjusted diluted earnings per share (EPS) was 15.2 pence, an increase of 202% at reported exchange rates
- Reported diluted EPS was 5.9 pence, an increase of 128% at reported exchange rates

Burberry Forward

When we set out Burberry Forward, we defined a clear path to build brand relevance and value creation.

With our Timeless British Luxury brand expression, we have reignited brand momentum and improved cultural relevance. From global activations, including Portraits of an Icon, which celebrates our iconic trench coat to kick off our 170th anniversary, to localised campaigns, including the Year of the Horse 2026, we have consistently communicated Timeless British Luxury through immersive storytelling juxtaposing our heritage and innovation.

We have asserted our authority in outerwear and scarves, which was reflected in the outperformance of these categories throughout the year. As the year progressed, we saw this momentum extend into other categories.

Across our retail network, we continued to evolve key locations to enhance the visibility of our hero products while increasing productivity. We have rolled out over 200 Scarf Bars, with additional product destinations to come in the year ahead. We are also building strong momentum in e-commerce, driven by our improved site experience.

All of this is underpinned by a high-performance culture with creative and commercial alchemy at its heart. We evolved our Executive Committee to include our Regional Presidents and appointed a Chief Operating and Supply Chain Officer and Chief Customer Officer, strengthening our focus on executional excellence and our customers. We also strengthened our Merchandising, Design and Product Development teams to drive sharper decision-making and consistent execution.

Throughout the year, we embedded changes aimed at enhancing collaboration, increasing our agility and aligning our cost base to our size. We have delivered £80 million in cost savings in FY 2025/26, with combined annualised savings of £100 million expected by FY 2026/27. At the same time, we are investing in the future of British manufacturing and craftsmanship with a major two-year renovation of our historic Castleford factory in Yorkshire, the home of the iconic Burberry trench coat.

I would also like to thank Gerry for his steadfast guidance and invaluable counsel as Chair. Gerry has played an important role in supporting me throughout my time as CEO, and I am proud of the progress that we have achieved together.

I look forward to partnering closely with William as we continue to drive Burberry Forward.

Looking ahead

This year was an important step on our way to returning this business to £3 billion in sales. While we remain mindful of the more uncertain macro-economic environment, our focus is firmly on disciplined, consistent execution of Burberry Forward. With increased brand relevance and product authority, we are moving forward with conviction.

I would like to thank all my colleagues around the world who continue to drive Burberry Forward with passion and dedication. My confidence in this extraordinary 170-year-old brand has never been stronger.

Joshua Schulman

Chief Executive Officer