



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

BURBERRY

Annual Report 2025/26



Strategic Report

Chair's Letter	2
Chief Executive Officer's Letter	4
FY 2025/26 Highlights	7
A Heritage 170 Years in the Making	8
Our Purpose and Values	11
Our Business Model	12
The Global Luxury Market in 2025	14
Our Strategy Overview	17
Business Update	18
Financial Measures	26
Financial Review	27
Capital Allocation Framework	32
Our People and Culture	33
Sustainability at Burberry	36
Section 172 (1) Statement and Stakeholder Engagement	38
Non-Financial and Sustainability Information Statement	94
Risk and Viability Report	95
Viability Statement	104

Corporate Governance Statement

Chair's Introduction	108
Board of Directors	109
Executive Committee	113
Corporate Governance Report	114
Governance Structure and Division of Responsibilities	121
Composition, Succession and Evaluation	125
Nomination Committee Report	127
Audit Committee Report	132
Directors' Remuneration Report	141
Directors' Report	178

Financial Statements

Statement of Directors' Responsibilities	181
Independent Auditor's Report to the Members of Burberry Group plc	182
Group Income Statement	192
Group Statement of Comprehensive Income	193
Group Balance Sheet	194
Group Statement of Changes in Equity	195
Group Statement of Cash Flows	196
Notes to the Financial Statements	197
Five-Year Summary	237
Company Balance Sheet	240
Company Statement of Changes in Equity	241
Notes to the Company Financial Statements	242
Shareholder Information	250

For further information,
visit [Burberryplc.com](https://www.burberryplc.com)



Alva Claire for High Summer 2025, photographed by Drew Vickers.



**“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



Tyson Beckford for 'It's Always Burberry Weather: Postcards from London' 2025, photographed by Drew Vickers.

FY 2025/26 HIGHLIGHTS

Total revenue

£2,420m

(FY 2024/25: £2,461m)

Adjusted operating profit

£160m

(FY 2024/25: £26m)

Operating profit

£115m

(FY 2024/25: £(3)m)

Adjusted diluted EPS

15.2p

(FY 2024/25: (14.8)p)

Diluted EPS

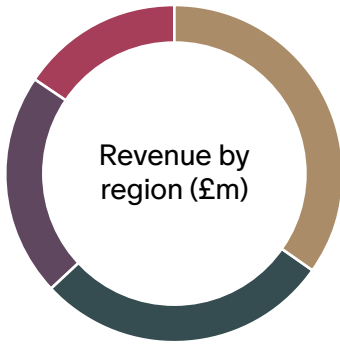
5.9p

(FY 2024/25: (20.9)p)

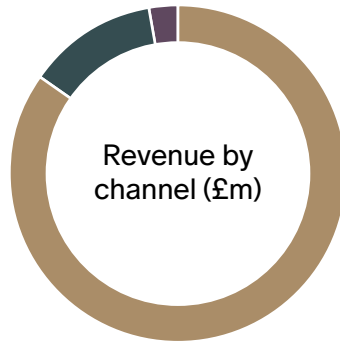
Cash (net of overdrafts)*

£614m

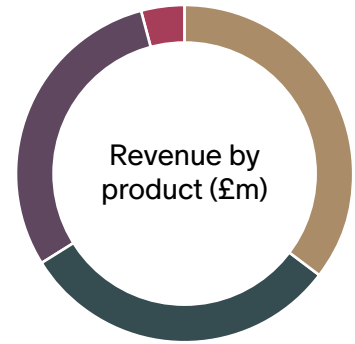
(FY 2024/25: £708m)



	2025/26 £m	2024/25 £m
EMEIA	821	842
Greater China	670	662
Americas	505	510
Asia Pacific	363	381



	2025/26 £m	2024/25 £m
Retail	2,056	2,076
Wholesale	303	319
Licensing	61	66



	2025/26 £m	2024/25 £m
Accessories	837	841
Womenswear	728	718
Menswear	701	732
Childrenswear and other	93	104

22.1%

Reduction in Scope 3 emissions since FY 2018/19

86%[^]

Key raw materials in our products certified or responsibly sourced in FY 2025/26 (as defined in our Sustainable Raw Materials Portfolio)

176,524[^]

People positively impacted in FY 2025/26 through community programmes supported by Burberry Group plc and The Burberry Foundation

* The Group also had borrowings at 28 March 2026 of £511m (29 March 2025: £738m).

[^] This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2025/26 on Burberryplc.com.

A HERITAGE 170 YEARS IN THE MAKING

When Thomas Burberry launched his namesake brand in 1856, he established a legacy that continues to influence everything we do as a Company today.

A true visionary, Thomas Burberry pushed the boundaries of what was possible, pioneering innovation through invention, collaboration and a relentless drive to do better. As we mark our 170th year, our brand archive continues to inspire and inform the way we tell our stories, providing a strong connection to our past and a foundation for creative expression and experimentation.

Throughout the year, we have drawn on this legacy and the enduring elements of our brand, from the Equestrian Knight Design (EKD) to the Burberry Check, reflecting our heritage in our product and brand experiences in ways that feel both authentic and timeless.

These moments, highlighted here, represent an echo of our past reimagined for the present, ensuring our British heritage remains relevant for our global audiences today.



Burberrys x Bloomingdale's label, c.1990.



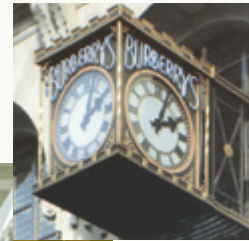
Bloomingdale's 59th Street, 2025.

Bloomingdale's Festive Takeover

Our relationship with Bloomingdale's spans more than 70 years. From the 1950s, the iconic American retailer carried exclusive Burberry designs, with collaborations including trench coats in the 1990s. In 2025, Burberry's festive takeover of Bloomingdale's 59th Street flagship store saw its façade wrapped in a Burberry Check scarf illuminated by 126,000 lights. See page 22 for further details.

The Burberry Clock

Emblematic of our brand's rich heritage, the Burberry clock was originally installed on the façade of our Haymarket flagship store in London in the late 1930s. Crafted from gold leaf, cast iron and German opal glass, the clock was removed from the building in 2015 and now forms part of our archive collection. The timepiece continues to inspire, notably the design of our Winter 2025 outerwear pop-ups.



The Burberry clock on the Haymarket store, 1998.



A replica of the clock at an outerwear pop-up in Chongli, Mainland China, in 2025.



Detail of the reversible Dual Burberry, late 1920s.

The Dual Burberry car coat, Winter 2025.

The Return of the Dual Burberry Car Coat

First introduced over 100 years ago, the Dual Burberry car coat was designed as a reversible garment, combining weatherproof gabardine with tweed for versatility. Popularised by aviator Alan Cobham during his 1926 London to Australia flight, it was both practical and versatile. The style was reintroduced in our Winter 2025 men's collection to much acclaim from our customers.



Zhang Jingyi for the Year of the Horse 2026, photographed by Anton Gottlob.



Knight design, 1920s.

The Year of the Horse 2026

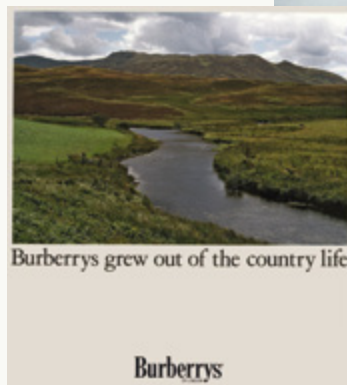
Celebrating the Year of the Horse, our campaign drew on one of our most instantly recognisable house codes, the EKD. Introduced around 1901 following a public competition, the emblem is imbued with symbolism. The knight represents honour, the shield protection and the lance reform. The banner reads 'Prorsum', which translates from Latin to 'Forward'. In honour of the Year of the Horse, we introduced a dedicated capsule collection, reinterpreting the EKD across ready-to-wear and accessories.

Gabardine Capsule Collection

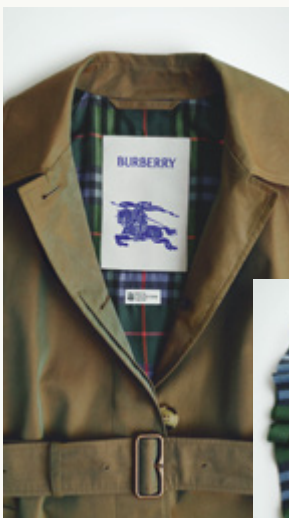
Among the first activations celebrating our 170th anniversary was the launch of a gabardine-inspired capsule collection reflecting our heritage and longstanding connection to the outdoors. The landscape motif, featured across ready-to-wear and labelling, drew on a 1993 archive campaign. Its accompanying strapline, 'Burberrys grew out of the country life', referenced our origins in outfitting customers for outdoor pursuits.



Marlon Patrice for the Gabardine Capsule 2026, photographed by Tom Johnson.



Burberrys campaign, 1993.



Royal Collection Trust x Burberry car coat, 2026.



Royal Collection Trust x Burberry cashmere scarf, 2026.

Royal Collection Trust x Burberry

In March 2026, we created a capsule collection in collaboration with Royal Collection Trust to mark the centenary of Queen Elizabeth II's birth. Honouring the late Queen's long association with Burberry, the capsule included a belted car coat in lightweight 100% certified organic cotton gabardine. The coat was finished with a 100% certified organic silk lining featuring our House Check in a holly green colourway, which was created in honour of Queen Elizabeth II and inspired by the Old Stewart Tartan.



John Glacier for 'Burberry Festival' 2025, photographed by Drew Vickers.

OUR PURPOSE AND VALUES

Our founding principle, that clothing should protect people from the weather, has been at the heart of Burberry for 170 years. In FY 2025/26, we reimagined our purpose and values to reflect this belief and to further embed the spirit of Burberry Forward into our business. In doing so, we are leveraging our strengths and our rich heritage to build a Burberry that delivers for our customers and positively impacts our people and our communities, while protecting nature and realising our climate ambitions.

Our purpose and values serve as the guiding framework for everything we do. They underpin decisions, inspire creativity and define the experiences we bring to both our colleagues and our customers.

Purpose

TO EMBRACE THE ELEMENTS WITH OPEN ARMS

Our purpose shapes how we lead, create and collaborate at Burberry.

Grounded in a growth mindset, our purpose honours our heritage while also serving as a commitment to moving forward with confidence, curiosity and an open heart, whatever the weather.

Values

Our three core values are intrinsic to Burberry, bringing our purpose to life and guiding everything we do, from how we design to how we think and evolve. They also provide a shared foundation that unites us as one community while celebrating the diverse perspectives that drive our creativity.

PROTECT

- We are a source of protection and warmth, no matter the forecast
- We promise quality, function and enduring value
- We strive for a space where everyone feels they belong
- We build trust with each other and our customers
- We aim to protect the environment, those who work in our value chain, and the communities in which we operate

EXPLORE

- We innovate to open new horizons
- We strive for excellence in the pieces we create
- We learn from one another and seek out new skills to push boundaries
- We continuously improve in everything we do

INSPIRE

- We brighten up even the cloudiest day
- We see the world as a canvas of possibilities
- We celebrate each other's achievements
- We create positive impact for one another, our customers and our communities

OUR BUSINESS MODEL

We believe that new horizons open when you step outside.

For 170 years, Burberry has created clothing to protect people from the weather. As proud champions of British creativity and craftsmanship on a global scale, we celebrate our unique heritage through beautiful and innovative luxury goods designed to delight our customers.

Our most iconic products, our outerwear and scarves, are instantly recognisable and have timeless appeal for people of all ages.

Source

We seek to use high-quality, certified and responsibly sourced materials to produce luxury products that stand the test of time. When making business decisions, we consider the wellbeing of people in our supply chain and our environmental impact.

Design

We create beautiful luxury products inspired by our heritage and elevated by our distinctive brand codes. Based in our London headquarters, our Design, Product and Merchandising teams work together to ensure our products delight and inspire all of our customers.

Our business model is rooted in our rich British heritage and our desire to innovate

Make

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

Sell

We sell our products through directly operated stores, concessions, global wholesale partners and on Burberry.com. We provide exceptional customer service, ensuring a seamless experience across all touchpoints and offer aftercare services so our products can be loved for longer. For certain categories, including eyewear and beauty, we work with licensing partners to benefit from their product and distribution expertise.



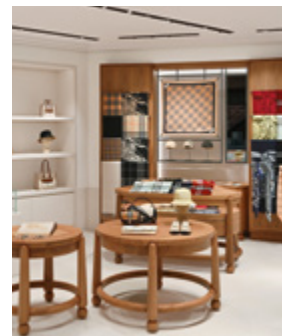
Raw cotton: the starting point for Thomas Burberry's revolutionary fabric, gabardine.



Trench craft: every element of creating a trench requires skill and expertise.



Made in Yorkshire: the gabardine in Heritage Trench Coats is woven at the Burberry Mill in Keighley.



The Burberry Scarf Bar at our store in Hanoi, Vietnam.

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



Customers

We place our customers at the centre of everything we do. We adapt how we use our brand codes, tailor how we design our products and customise our brand activations and store experiences to connect with our customers in meaningful ways. We innovate to offer customers unique ways to engage with our brand.



Communities

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



Shareholders

We aim to create sustainable long-term value for our shareholders. We prioritise reinvesting for organic growth and, subject to there being further capital available, we allocate it to dividends, strategic inorganic investments and additional returns to shareholders. For more information see our Capital Allocation Framework on page 32.



Environment

Being a responsible business and working to reduce our impact on the environment continues to be very important to our colleagues and customers around the world. We manage climate- and nature-related risks to ensure the long-term success and resilience of our business.



People

Our people are our greatest asset and we provide a rich and rewarding colleague experience. We foster a culture where our people can grow and express their creativity with a sense of belonging. We are also committed to protecting and enhancing the livelihoods of people in our supply chain, while respecting and upholding human rights.



Governments

We engage with governments on environmental, social, economic and governance issues. We also work with government bodies to seek solutions to mutual challenges and to be a positive force wherever we do business.



Partners

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

THE GLOBAL LUXURY MARKET IN 2025

Burberry operates in the global personal luxury market with a presence across more than 140 countries and territories¹ worldwide. The following is an analysis of global market trends and performance within the sector for the calendar year ending 31 December 2025.

Global personal luxury goods market

In 2025, the global personal luxury goods market experienced a period of adjustment marked by a complex macroeconomic and consumer environment which impacted the sector. Generating sales of €358 billion, the market declined by 2% at current exchange rates² and was broadly stable at constant exchange rates.

Although aspirational customers remained selective in their purchases, the sector showed encouraging signs of stabilisation across regions, with sequential improvements in the second half of the year. Top customers³ continued to engage actively, while markets such as Latin America emerged as a key growth driver. Across all customer segments, a sustained shift towards experiential spending supported demand in travel and leisure destinations, highlighting the sector's resilience and adaptability.

Key trends

In 2025, the personal luxury goods market was shaped by a continued shift in customer spending towards experiences, alongside heightened discernment among aspirational customers. Brands operated in a context of reduced profitability, which required greater operational discipline and investment in creativity, craftsmanship and long-term brand equity. To navigate growing polarisation between accessible and absolute luxury, many brands redefined their reach through lower-entry categories and tiered pricing strategies.

Experiences reshaping luxury consumption

Consumers continued to prioritise travel, hospitality and cultural experiences, making experiential luxury an increasingly central component of their spending. This trend supported performance in key travel and resort markets and raised expectations for immersive, service-rich brand interactions.

Value for money

After several years of strong price increases, the luxury consumer became increasingly focused on getting more for their money. Brands sharpened their opening price points while outlet formats continued to play an increasingly important role in customer acquisition. The second-hand luxury market continued to expand, driven by interest in heritage and rarity. Brands responded by broadening their circular offerings, including authenticated pre-owned products and repair services.

A polarised customer landscape

The global luxury customer base contracted slightly, as aspirational customers became more selective in their purchases and increasingly opted for accessible luxury. Top customers remained resilient, representing a growing share of market value. This trend reinforced the importance of personalisation, emotional connection and strong brand storytelling.

Creativity, brand energy and cultural relevance as growth drivers

Creativity increasingly drove brand performance, with distinctive design, refreshed creative leadership and culturally relevant storytelling helping to energise brands and deepen engagement, particularly among younger audiences. Social platforms and emerging 'shoptainment' formats, including immersive experiences with shoppable content, expanded their reach and cultural resonance.

Operational discipline and a profitability reset

Profitability across the sector was affected as brands absorbed higher operating costs and increased discounting. Offsetting these pressures required disciplined operations, resilient supply chains and focused investment in the drivers of long-term brand equity. Advances in digital tools and artificial intelligence (AI) further supported improvements across planning, personalisation and client engagement.

1. Refers to the number of countries and territories in which Burberry has a store presence or ships to directly and via partners.

2. All growth rates are at current exchange and refer to 2025 compared to 2024, unless stated otherwise.

3. 'Top customers' refers to those who buy more than €20,000 worth of luxury goods a year.

Product categories

Performance across product categories reflected varying levels of price sensitivity in 2025. Soft luxury categories, including ready-to-wear and outerwear, were affected as aspirational consumers prioritised value, durability and timeless design. However, performance was supported by elevated essentials, tailoring and demand from top clients. Shoes and leather goods remained under pressure due to heightened price sensitivity and competition from sportswear and accessible luxury brands. Small leather goods, however, continued to resonate with younger customers, driven by personalisation and gifting trends.

Other categories were more robust. Jewellery benefited from both its emotional appeal and investment value, while eyewear and beauty also delivered steady growth, reinforcing their role as accessible entry points aligned with personal expression and everyday luxury.

Channels

Channel performances across the global luxury market reflected the sector's focus on experience, value and personalisation, in addition to changing travel patterns.

Monobrand store sales were flat or declined by up to 2%, with improved conversion and enhanced experiential environments supporting performance. Online sales remained relatively constant, registering a performance between -1% and +1%, supported by continued investment in personalisation, content and service capabilities.

Outlet sales grew by 1% to 3%, supported by strong demand for value-led assortments. Wholesale channels continued to adjust as multibrand distribution evolved and department store sales declined by 4% to 6% for personal luxury goods. Travel retail was also challenged, declining by 2% to 4%, but leading tax-free hubs remained resilient due to strong conversion in beauty and eyewear.

Regions

The personal luxury goods market faced challenges around the globe during the year.

Asia

Asia saw mixed performances across the region. Mainland China remained challenging, declining by 3% to 5% at constant exchange rates, though signs of stabilisation emerged towards the end of the year, supported by improving sentiment in Tier 1 cities such as Beijing, Shanghai and Shenzhen. Consumers continued to shift spending toward experiences, wellness and leisure, while competition from local brands intensified.

Hong Kong S.A.R., China, saw renewed momentum among younger travellers. Japan normalised after strong gains in 2024. While tourism softened in the second half of the year, local demand for craftsmanship-led categories remained healthy and Japan continued to play a significant role in the second-hand luxury ecosystem.

South Korea benefited from currency dynamics and regional tourism, and Southeast Asia showed rising luxury awareness in several markets.

Americas

The Americas' performance was up between 2% and 4% at constant exchange rates. While spending early in the year was negatively influenced by tariff and economic uncertainty, demand improved as consumer confidence strengthened later in 2025 due to stock market recovery. Top customers remained resilient and domestic purchasing in the USA increased as favourable exchange rates encouraged a repatriation of luxury spending. Latin America continued to grow, with particularly strong momentum in Mexico and Brazil, supported by tourism and expanding retail footprints.

Europe (including the UK) and the Middle East

Europe contracted by 1% to 3% at constant exchange rates, shaped by a strong euro, softer domestic demand and varied tourist flows. Southern Europe benefited from resilient leisure-led tourism, while performance in Central Europe and the UK was more muted. The absence of tax-free shopping remained a challenge in the UK, although Gulf and Indian visitors remained important customer groups. The Middle East⁴ and the rest of the world grew by 6% to 8%, driven by diversified tourism, sustained local demand and significant investment in luxury retail destinations such as Dubai and Abu Dhabi.

4. Since February 2026, the region has been experiencing volatility due to the impact of ongoing Middle East conflict.

Source: Bain-Altgamma Luxury Goods Worldwide Market Study (24th Edition).



Jennifer Saunders for "Twas The Knight Before..." 2025, photographed by Angelo Pennetta.

OUR STRATEGY OVERVIEW

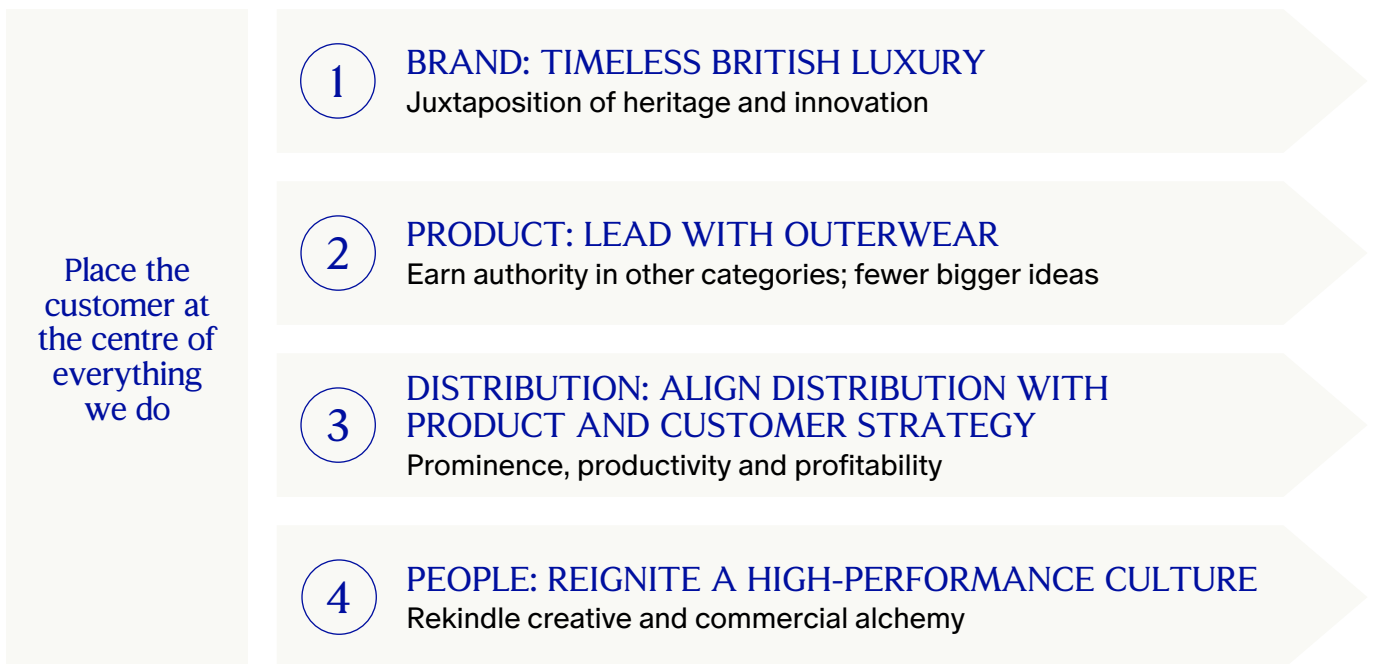
In November 2024, we launched Burberry Forward, our strategic plan to reignite brand desire, improve performance and drive long-term value creation. With our customers at the centre of everything we do, we are leveraging our strengths with a disciplined approach and a range of products to attract a broad base of luxury customers.

The progress we made during FY 2025/26 reinforces our confidence that Burberry Forward is the right strategy for our Company. We have strengthened brand desirability through our Timeless British Luxury expression. We have also enhanced our product offer with our iconic outerwear and scarves at its core, and deepened connections with our customers around the world, laying a strong foundation for continued growth and long-term value creation.

At the same time, we are reigniting our high-performance culture, ensuring that we are maximising the vast and varied talents of our people, while upholding our commitments to social and environmental responsibility.

As we drive Burberry Forward, we will continue to place the customer at the centre of our business, guided by four strategic pillars.

Burberry Forward: our strategy to deliver sustainable value creation



REIGNITE DESIRE

BUSINESS UPDATE

1 Brand: Timeless British Luxury

During FY 2025/26, we continued to anchor Burberry in Timeless British Luxury, ensuring every brand moment delivered coherent storytelling, maintained cultural relevance for global audiences and reinforced our authority in outerwear.

In June, our 'Burberry Festival' campaign captured our place at the heart of British festival culture. Featuring globally recognisable talent in a series of films and portraits set among sound systems and stages, the campaign spotlighted core summer styles and strengthened our appeal across key markets.

Featuring well-known London landmarks, our 'Back to the City' and the third chapter of 'It's Always Burberry Weather: Postcards from London' campaigns celebrated our outerwear with seasonal interpretations of core categories. We expanded our talent ecosystem to include stars with global appeal, igniting brand desire and driving strong engagement across digital and social channels.

Building on this momentum, our 'Twas the Knight Before...' campaign brought a joyous rendition of the holiday season to customers worldwide, placing our iconic products at the heart of a festive gathering. The campaign was complemented by immersive experiences, such as pop-ups in locations including Claridge's in London and Bloomingdale's in New York City.

Our celebratory storytelling continued into the Year of the Horse 2026 with a capsule collection featuring festive interpretations of the EKD. The capsule, which resonated strongly with customers and across social channels, was brought to life by brand ambassadors Chen Kun, Tang Wei, Wu Lei and Zhang Jingyi.

In February, our Winter 2026 runway collection once again celebrated the allure of London, capturing the energy of the city after dark through a moody set depicting a rain-soaked Tower Bridge. The elevated day-to-night collection, which featured a dark and rich colour palette, offered a bold reimagining of outerwear as eveningwear.

Highlighting our strength in bringing together heritage and innovation, in March 2026 we began celebrating our 170th anniversary year with the launch of our 'The Trench, Portraits of an Icon' campaign.

FY 2026/27 Priorities

- Execute a cohesive brand expression to strengthen the clarity and consistency of Timeless British Luxury
- Celebrate our British heritage through universally recognisable and appealing imagery balancing city and country
- Reinforce storytelling around our core icons, such as the Trench and Burberry Check, while extending our authority into additional pillars such as cashmere
- Deepen engagement with customers, while optimising our investment



Winter 2026 runway show.

THE TRENCH, PORTRAITS OF AN ICON

Marking our 170th anniversary, ‘The Trench, Portraits of an Icon’ campaign celebrates the ongoing legacy of our iconic Heritage Trench Collection.

Captured by Tim Walker, the series of black-and-white portraits featured 23 stars from the worlds of film, fashion, music and sport, including Daisy Edgar-Jones, Kate Moss, Kid Cudi and Wu Lei. Each star made the trench their own, expressing their personality and individual sense of style, with silhouettes that are unmistakably Burberry.

A documentary accompanying the campaign showed behind-the-scenes exchanges between cast and crew. With a soundtrack by Blur, the film reflected the creative, confident and outward-looking modern British spirit embodied by the trench design.

The campaign, which began a year-long celebration of our brand and heritage, was brought to life in key locations worldwide with a series of striking window displays and specially curated pop-up installations. Across locations, signature silhouettes were heroed alongside large portraits from the campaign. This enabled customers to experience the designs alongside the campaign’s cast and reinforced the trench’s positioning as both a functional design and a cultural statement.



Isetan Shinjuku pop-up, Japan.



Regent Street, London.



Regent Street, London.



Seoul, South Korea.

2 Product: Lead with Outerwear

In FY 2025/26, we maintained disciplined execution of our brand codes across categories, emphasising our iconic Burberry Check and EKD in both overt and subtle applications, while ensuring synchronicity between our runway looks and commercial core. This renewed clarity helped strengthen brand identity and desirability, enabling us to reach a broad luxury audience.

In outerwear, we evolved our Heritage rainwear with new silhouettes, lengths, colours and fabrics, enhancing versatility across climates and occasions while increasing everyday wearability. We also accelerated outerwear growth by widening our offer across quilts and downs, with the broader assortment resonating with customers. In scarves, we enhanced visibility across all touchpoints, including runway shows and campaigns, and expanded our personalisation offer to support gifting.

Across categories where we are building authority, we refined our price architecture and strengthened our offer to broaden appeal. In leather goods, we tested new handbag lines in various sizes and colourways, developing the strongest-performing products into full ranges. In shoes, we focused on functional silhouettes with recognisable branding, particularly at entry price points.

In men's and women's ready-to-wear, we focused on building a versatile essential wardrobe spanning casual and more refined city dressing. We strengthened our entry price points with branded universal pieces, particularly in men's tops, and expanded our offer across knitwear, trousers, skirts and dresses. We also captured growth opportunities in swimwear and athleisure. Across ready-to-wear, we drove momentum by refining fit classifications for greater consistency and addressed regional product needs with a variety of lengths and fits.

FY 2026/27 Priorities

- Cement our authority in outerwear and scarves, while extending into adjacent categories including ready-to-wear and accessories, to enhance wardrobing opportunities
- Sharpen our pricing architecture, ensuring value for money in a luxury context and building desirability across 'Good, Better, Best' price points
- Leverage our supply chain to capture growing demand by making more focused bets, strengthening our speed to market and ensuring product availability
- Reaffirm our longstanding commitment to British manufacturing and craftsmanship, with the modernisation of our historic Castleford facility



Amelia Gray for 'It's Always Burberry Weather: Postcards from London' 2025, photographed by Drew Vickers.

3 Distribution: Align Distribution with Product and Customer Strategy

During the year, we continued to evolve key locations through elevated design, improved customer journeys and curated product expression. We enhanced the visibility of our core categories by prioritising outerwear and scarves in high-impact store zones, improving product density and strengthening cross-category merchandising. Window displays and in-store storytelling were refined to align with our campaigns and seasonal moments, as illustrated by our ‘The Trench, Portraits of an Icon’ campaign, which was brought to life through window displays and pop-ups across more than 130 stores.

In parallel, we advanced the roll out of dedicated core category destinations, including the completion of 200 Scarf Bars and the introduction of new Polo Galleries. Designed to enhance navigation, shopability and consistency across regions, these dedicated spaces are becoming key touchpoints that further express our brand and product authority.

In outlets, we continued to optimise and elevate our network to align with our Distribution strategy. We updated our assortment to drive relevance, including the introduction of full-price Icon shops to increase Average Unit Retail (AUR).

On Burberry.com, we enhanced storytelling, product presentation and navigation to better reflect our brand expression, with improvements in styling, discoverability and copy supporting stronger engagement and consistency across channels. While reducing our overall wholesale exposure, we grew our order book with key opinion-leading wholesale partners who are helping to introduce our brand to new customers, as demonstrated by our festive collaboration with Bloomingdale’s. (See page 22 for further information).

FY 2026/27 Priorities

- Drive productivity in our stores by expanding category destinations, with dedicated in-store spaces for polos, trenches and other key product pillars
- Accelerate our digital business by enhancing visibility of our core categories, and advancing our capabilities by developing contextual search
- Enhance clientelling through improved tools, more personalised experiences and stronger service propositions across channels
- Strengthen wholesale partnerships through aligned assortments, consistent brand presentation and deeper collaboration with key accounts



The Polo Gallery in Regent Street, London.

BURBERRY CELEBRATES THE FESTIVE SEASON

Exuding warmth and British charm, our 2025 festive activations highlighted our core categories of outerwear and scarves alongside bags and accessories. Featuring an all-star cast, our “’Twas the Knight Before...” campaign captured the joyful bustle of the holiday season.

Directed by John Madden and featuring stars including Jennifer Saunders and Ncuti Gatwa, the campaign film followed party preparations in a cosy London townhouse.

Also in London, we collaborated with Claridge’s on a seasonal activation, which saw the hotel’s traditional 16-foot tree decorated with surplus Burberry fabrics and EKD-inspired brass bells. A pop-up shop in the lobby featured a Scarf Bar and a curated selection of giftable items, while the hotel’s lift was transformed with Burberry Check in festive hues and doormen wore Burberry scarves.

In New York City, we launched a festive takeover of Bloomingdale’s 59th Street flagship. We became the first luxury brand to take over the store’s iconic façade, wrapping it in a larger-than-life Burberry Check scarf, while windows on Lexington Avenue were transformed into a storybook scene featuring the Burberry Knight. The takeover also included an exclusive ready-to-wear and accessories capsule collection, as well as a Scarf Bar located in The Carousel area of the store.



Ncuti Gatwa for “’Twas The Knight Before...” 2025, photographed by Angelo Pennetta.



“’Twas The Knight Before...” 2025, photographed by Angelo Pennetta.



The Claridge’s Christmas Tree, designed by Burberry’s Chief Creative Officer.



Bloomingdale’s 59th Street window, New York City.



Bloomingdale's 59th Street, 2025.

4 People: Reignite a High-performance Culture

In FY 2025/26, we continued to evolve our organisation, leadership and culture to support the delivery of our Burberry Forward strategy.

We made organisational changes to enhance agility, strengthen cross-functional collaboration and align our cost base with the scale of the business, while maintaining strong levels of colleague engagement throughout the transition. We evolved our Executive Committee and restructured our ready-to-wear design function to drive closer alignment between creative vision, customer focus and commercial execution.

We continued to invest in strengthening leadership capabilities with targeted development, clear communications and the introduction of new learning platforms and tools to help support leaders through the period of transition.

Investment in talent and career development remained a priority, with a continued focus on internal mobility. During the year, 294 colleagues were promoted and 640 moved laterally across the business. Enhanced talent reviews and a simplified performance framework supported succession planning and long-term development.

We also reinforced our culture by launching our reimagined purpose and values; strengthening engagement through listening and new employee groups; and evolving our Inclusion strategy with a greater focus on belonging. Employee engagement scores improved or remained stable year on year, demonstrating sustained engagement and a strong connection to the brand during a period of organisational change.

FY 2026/27 Priorities

- Reinforce Talent at the Centre by investing in capabilities that support personal and business growth and drive strong engagement
- Foster a culture of accountability, executional excellence and decision-making
- Scale data-driven decision-making initiatives to drive sales
- Embed a culture of cost discipline, saving to reinvest in growth



Mariana Espiga, Sourcing Coordinator, Horseferry House, London.



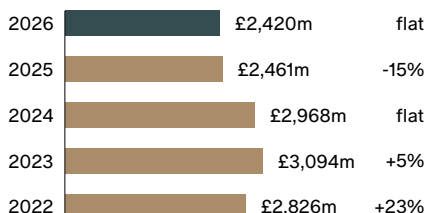
Rubien Bilan-Carroll for Winter Wardrobing 2025, photographed by Maxime La.

FINANCIAL MEASURES

Revenue growth*

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

flat



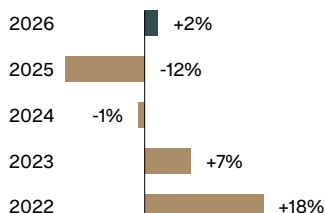
Performance

FY 2025/26 total revenue growth was flat in the year at constant exchange rates.

CER Comparable store sales growth*

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

+2%



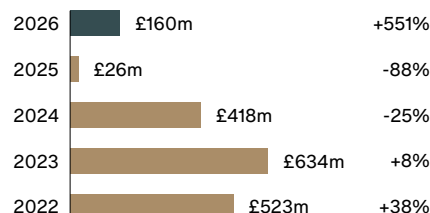
Performance

FY 2025/26 comparable store sales growth was 2% in the year.

CER Adjusted operating profit growth*

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

+551%



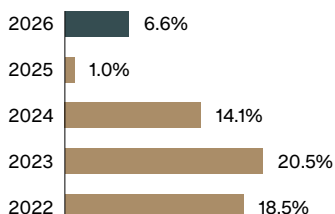
Performance

Adjusted operating profit was £160 million in the year, an increase of 551% at constant exchange rates from the prior year.

Adjusted operating profit margin

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

6.6%



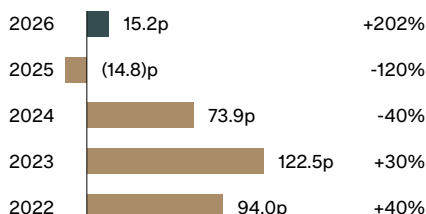
Performance

Adjusted operating margin was 6.6% in the year, an increase from 1.0% in the prior year.

Adjusted diluted EPS growth

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

+202%



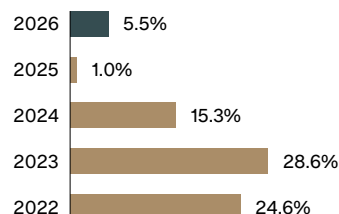
Performance

Adjusted diluted EPS was 15.2p in the year, an increase of 202% from the prior year.

Adjusted Group ROIC

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

5.5%



Performance

Adjusted Group ROIC increased to 5.5% in the year, primarily due to the increase in net operating profit after tax.

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

Details of alternative performance measures are shown on pages 30 and 31 and on page 239 for Adjusted Group ROIC.

FINANCIAL REVIEW

This financial year marks 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 Americas. Our strategy is working and there are clear opportunities for further growth. As we look ahead, while mindful of the uncertain macro-economic environment, our focus is on disciplined execution of Burberry Forward. With increased brand relevance and product authority, we are moving forward with conviction, firmly positioning Burberry for long-term value creation.

Summary Income Statement

Period ended £ million	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025	YoY % change Reported FX	YoY % change CER
Revenue	2,420	2,461	(2)	flat
Cost of sales	(777)	(923)	(16)	(14)
Gross profit	1,643	1,538	7	9
Gross margin	67.9%	62.5%	540bps	530bps
Adjusted net operating expenses*	(1,483)	(1,512)	(2)	flat
Adjusted net operation expenses as a % of sales*	61.3%	61.5%	(20bps)	(40bps)
Adjusted operating profit*	160	26	528	551
Adjusted operating margin*	6.6%	1.0%	560bps	570bps
Adjusting operating items	(45)	(29)	54	54
Operating profit/(loss)	115	(3)	3,370	
Operating margin	4.8%	(0.1%)	490bps	
Net finance expense	(66)	(63)	7	
Profit/(loss) before taxation	49	(66)	175	
Taxation	(29)	(9)	231	
Non-controlling interest	1	–	n/a	
Attributable profit/(loss)	21	(75)	128	
Adjusted profit/(loss) before taxation*	94	(37)	356	
Adjusted diluted earnings/(loss) per share (pence)*	15.2	(14.8)	202	
Diluted earnings/(loss) per share (pence)	5.9	(20.9)	128	
Weighted average number of diluted ordinary shares (millions)**	360.3	358.4	1	

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

** As the Group incurred an attributable profit for FY 2025/26, the effect of the increase in diluting shares was dilutive and therefore included in the calculation of diluted profit per share for the period. As the Group incurred an attributable loss for FY 2024/25, the effect of 0.9m dilutive shares was antidilutive and therefore not included in the calculation of diluted loss per share for the period. For detail see note 10 of the Financial Statements.

Revenue

Revenue of £2,420 million, was flat at constant exchange rates and -2% at reported rates. Within this, retail comparable sales were +2% in the year showing continued improvement over the course of the year.

Gross Margin

Gross margin was 67.9%, an increase of 530bps at constant exchange rates and 540bps at reported rates. This was driven by a higher quality of sales, and a recovery from the prior year's inventory reset.

Operating Profit

Adjusted operating profit was £160 million, an increase of £134 million from £26 million in the prior year. This was primarily due to the improvement in gross margin.

Adjusted net operating expenses of £1,483 million were flat at constant exchange rates and -2% at reported rates.

Reported operating profit was £115 million after £45 million of adjusting items relating to restructuring charges due to the Burberry Forward transformation programme.

Financial Performance

Revenue by channel

Period ended £ million	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025	YoY % change Reported FX	YoY % change CER
Retail	2,056	2,076	(1)	1
Comparable store sales growth	2%	(12%)		
Wholesale	303	319	(5)	(4)
Licensing	61	66	(7)	(9)
Revenue	2,420	2,461	(2)	flat

Comparable store sales grew 2% in the year, a return to positive growth following -12% in the prior year. The contribution from space was a reduction of 1%, leading to a 1% growth in retail sales at constant exchange rates and a 1% decline at reported rates.

Comparable store sales growth by region

- EMEIA was flat in the year with growth in the first half of the year offset by a decline in the second half due to the continued impact of reduced tourist activity in the region and the Middle East conflict towards the end of the year.
- Americas grew by 4% in the year with the performance improving towards achieving 10% growth in the final quarter of the year supported by local spend.
- Greater China grew by 4% in the year with growth of 8% in the second half of the year offsetting declines in the first half, driven by local consumers spending within the region.
- Asia Pacific grew 2% in the year, with growth of 4% in the second half of the year offsetting a decline in the first half. South Korea remained strong supported by local spend and increased tourist spend, particularly from Chinese visitors, while Japan was impacted by the decline of tourists.

Comparable store analysis by product

- Outerwear outperformed in all regions in the year.
- Total accessories were positive in the year, with scarves outperforming throughout the year and leather goods sequentially improving in the second half of the year.

Store footprint

We opened 9 stores in the year and closed 21, with 410 directly operated stores as at 28 March 2026.

Store portfolio

	Directly operated stores				Franchise stores
	Stores	Con- cessions	Outlets	Total	
At 29 March 2025	229	139	54	422	33
Additions	6	3	–	9	–
Closures	(13)	(8)	–	(21)	(6)
At 28 March 2026	222	134	54	410	27

Store portfolio by region*

At 28 March 2026	Directly operated stores				Franchise stores
	Stores	Con- cessions	Outlets	Total	
Asia Pacific	29	82	11	122	10
Greater China	92	8	11	111	–
EMEIA	44	37	17	98	17
Americas	57	7	15	79	–
Total	222	134	54	410	27

* Excludes the impact of pop-up stores.

Wholesale

Wholesale revenue declined 4% at constant exchange rates and 5% at reported rates in the year with the second half of the year returning to growth of 3% at constant exchange rates.

Licensing

Licensing revenue decreased 9% at constant exchange rates and 7% at reported rates.

Operating Profit

Adjusted Operating Profit

Adjusted operating profit was £160 million in the year with an adjusted operating margin of 6.6%, an improvement from an adjusted operating margin of 1.0% in the prior year.

Gross margin was 67.9% up 530bps at constant exchange rates and 540bps at reported rates. The gross margin benefited from better sell through of product throughout the year, a highly disciplined approach to inventory purchase as well as a tail wind driven by one-off actions taken in the prior year during our inventory reset. Gross finished goods inventory declined by 13% at constant exchange rates and reported rates as of 28 March 2026.

Adjusted net operating expenses was flat at constant exchange rates and declined 2% at reported rates. This was driven by tight cost control alongside progress on our cost savings plan. FX was a headwind in the year, impacting adjusted operating profit by £6 million.

Adjusting items

Period ended £ million	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025
Restructuring costs	(45)	(29)
Adjusting items	(45)	(29)

Restructuring costs of £45 million (FY 2024/25: £29 million) were incurred, arising primarily as a result of the Burberry Forward transformation programme initiated last year. The costs principally related to redundancies and consultancy costs and were recorded in operating expenses.

Net Finance Charge

The net finance charge for the year was £66 million (FY 2024/25: £63 million), which includes finance income of £23 million (FY 2024/25: £25 million) offset by finance expense on borrowings and other of £42 million (FY 2024/25: £39 million) and interest on lease liabilities of £47 million (FY 2024/25: £49 million).

Taxation

The Group's adjusted effective tax rate was 43% (FY 2024/25: -43%) and the reported effective tax rate was 59% (FY 2024/25: -13%).

Cash Flow and Leverage

Summary statement of cash flows

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

Period ended £ million	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025
Adjusted operating profit	160	26
Depreciation and amortisation	375	413
Working capital	41	75
Other including adjusting items	6	12
Cash generated from operating activities	582	526
Payment of lease principal and related cash flows	(230)	(225)
Capital expenditure	(113)	(151)
Proceeds from disposal of non-current assets	–	12
Interest	(53)	(54)
Tax	(45)	(43)
Free cash flow	141	65

Free cash flow was £141 million in the year (FY 2024/25: £65 million). The major components were:

- Cash generated from operating activities increased by £56 million to £582 million due primarily to an increase in adjusted operating profit
- Working capital inflow of £41 million (FY 2024/25: £75 million inflow) driven by an increase in payables and lower inventory levels
- Capital expenditure of £113 million (FY 2024/25: £151 million) slightly below guidance due to phasing of investments into FY27

Cash net of overdrafts on 28 March 2026 was £614 million (29 March 2025: £708 million). On 28 March 2026, borrowings were £511 million (29 March 2025: £738) reflecting the £450 million bond raised in 2024 and the £75 million Revolving Credit Facility (RCF). The separate £300 million RCF remains undrawn. The £300 million sustainability bond matured in September 2025 and was repaid. With lease liabilities of £955 million, net debt in the period was £852 million (29 March 2025: £1,111 million).

Net Debt/Adjusted EBITDA was 1.6x. The decrease in leverage from 2.3x at 29 March 2025 was driven by higher profitability and reduction in net debt.

Period ended £ million	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025
Adjusted EBITDA	549	483
Cash net of overdrafts	(614)	(708)
Borrowings	511	738
Lease debt	955	1,081
Net Debt*	852	1,111
Net Debt/Adjusted EBITDA	1.6x	2.3x

* For a definition of adjusted EBITDA and net debt see page 31.

Burberry Forward

The Burberry Forward strategy was launched in November 2024 and is focused on reigniting brand desire, improving performance and driving long-term value creation.

The transformation programme incurred charges of £29 million in FY 2024/25 and a further £45 million in the current year, as a result of the implementation of organisational changes to enhance collaboration across our business, increasing our agility, driving efficiency while protecting investment in our customer focusing areas. We expect to incur a further £5 million of restructuring charges in FY 2026/27.

These changes have unlocked £80 million of savings in the current year and annualised cost savings are expected to be £100 million for FY 2026/27.

Outlook

As we look ahead, we are encouraged by the progress this year and will build on this to drive performance and deliver sustainable long-term value.

We expect to make further progress on our financial ambitions, including delivering revenue growth and margin expansion. We are, however, mindful of the uncertain geopolitical and macro-economic environment and its potential impact on consumer confidence. The impact of retail space is expected to be broadly stable next year with capital expenditure of around £120 million.

Alternative performance measures

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

APM	Description and purpose	GAAP measure reconciled to																		
Constant Exchange Rates (CER)	This measure removes the effect of changes in exchange rates compared to the prior period. The constant exchange rate incorporates both the impact of the movement in exchange rates on the translation of overseas subsidiaries' results and also on foreign currency procurement and sales through the Group's UK supply chain.	Results at reported rates.																		
Comparable sales	The year-on-year change in sales from stores trading over equivalent time periods and measured at constant foreign exchange rates. It also includes online sales. This measure is used to strip out the impact of permanent store openings and closings, or those closures relating to refurbishments, allowing a comparison of equivalent store performance against the prior period.	Retail Revenue: <table border="1"> <thead> <tr> <th>Period ended YoY%</th> <th>52 weeks ended 28 March 2026</th> <th>52 weeks ended 29 March 2025</th> </tr> </thead> <tbody> <tr> <td>Comparable sales</td> <td>2%</td> <td>(12%)</td> </tr> <tr> <td>Change in space</td> <td>(1%)</td> <td>1%</td> </tr> <tr> <td>CER retail</td> <td>1%</td> <td>(11%)</td> </tr> <tr> <td>FX</td> <td>(2%)</td> <td>(2%)</td> </tr> <tr> <td>Retail revenue</td> <td>(1%)</td> <td>(13%)</td> </tr> </tbody> </table>	Period ended YoY%	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025	Comparable sales	2%	(12%)	Change in space	(1%)	1%	CER retail	1%	(11%)	FX	(2%)	(2%)	Retail revenue	(1%)	(13%)
Period ended YoY%	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025																		
Comparable sales	2%	(12%)																		
Change in space	(1%)	1%																		
CER retail	1%	(11%)																		
FX	(2%)	(2%)																		
Retail revenue	(1%)	(13%)																		
Adjusted Profit/(loss)	Adjusted profit/(loss) measures are presented to provide additional consideration of the underlying performance of the Group's ongoing business. These measures remove the impact of those items which should be excluded to provide a consistent and comparable view of performance.	Reported Profit: A reconciliation of reported profit/(loss) before tax to adjusted profit/(loss) before tax and the Group's accounting policy for adjusted profit/(loss) before tax are set out in the financial statements.																		
Free Cash Flow	Free cash flow is defined as net cash generated from operating activities less capital expenditure plus cash inflows from disposal of fixed assets and including cash outflows for lease principal payments and other lease related items.	Net cash generated from operating activities: <table border="1"> <thead> <tr> <th>Period ended £m</th> <th>52 weeks ended 28 March 2026</th> <th>52 weeks ended 29 March 2025</th> </tr> </thead> <tbody> <tr> <td>Net cash generated from operating activities</td> <td>484</td> <td>429</td> </tr> <tr> <td>Capex</td> <td>(113)</td> <td>(151)</td> </tr> <tr> <td>Lease principal and related cash flows</td> <td>(230)</td> <td>(225)</td> </tr> <tr> <td>Proceeds from disposal of non-current assets</td> <td>–</td> <td>12</td> </tr> <tr> <td>Free cash flow</td> <td>141</td> <td>65</td> </tr> </tbody> </table>	Period ended £m	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025	Net cash generated from operating activities	484	429	Capex	(113)	(151)	Lease principal and related cash flows	(230)	(225)	Proceeds from disposal of non-current assets	–	12	Free cash flow	141	65
Period ended £m	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025																		
Net cash generated from operating activities	484	429																		
Capex	(113)	(151)																		
Lease principal and related cash flows	(230)	(225)																		
Proceeds from disposal of non-current assets	–	12																		
Free cash flow	141	65																		

APM	Description and purpose	GAAP measure reconciled to																					
Cash Conversion	Cash conversion is defined as free cash flow pre-tax/adjusted profit/(loss) before tax. It provides a measure of the Group's effectiveness in converting its profit/(loss) into cash.	<p>Net cash generated from operating activities:</p> <table border="1"> <thead> <tr> <th style="text-align: left;">Period ended £m</th> <th style="text-align: right;">52 weeks ended 28 March 2026</th> <th style="text-align: right;">52 weeks ended 29 March 2025</th> </tr> </thead> <tbody> <tr> <td>Free cash flow</td> <td style="text-align: right;">141</td> <td style="text-align: right;">65</td> </tr> <tr> <td>Tax paid</td> <td style="text-align: right;">45</td> <td style="text-align: right;">43</td> </tr> <tr> <td>Free cash flow before tax</td> <td style="text-align: right;">186</td> <td style="text-align: right;">108</td> </tr> <tr> <td>Adjusted profit/(loss) before tax</td> <td style="text-align: right;">94</td> <td style="text-align: right;">(37)</td> </tr> <tr> <td>Cash conversion</td> <td style="text-align: right;">197%</td> <td style="text-align: right;">n/a</td> </tr> </tbody> </table>	Period ended £m	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025	Free cash flow	141	65	Tax paid	45	43	Free cash flow before tax	186	108	Adjusted profit/(loss) before tax	94	(37)	Cash conversion	197%	n/a			
Period ended £m	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025																					
Free cash flow	141	65																					
Tax paid	45	43																					
Free cash flow before tax	186	108																					
Adjusted profit/(loss) before tax	94	(37)																					
Cash conversion	197%	n/a																					
Net Debt	Net debt is defined as the lease liabilities recognised on the balance sheet plus borrowings less cash net of overdrafts.	<p>Cash net of overdrafts:</p> <table border="1"> <thead> <tr> <th style="text-align: left;">Period ended £m</th> <th style="text-align: right;">As at 28 March 2026</th> <th style="text-align: right;">As at 29 March 2025</th> </tr> </thead> <tbody> <tr> <td>Cash net of overdrafts</td> <td style="text-align: right;">614</td> <td style="text-align: right;">708</td> </tr> <tr> <td>Lease liabilities</td> <td style="text-align: right;">(955)</td> <td style="text-align: right;">(1,081)</td> </tr> <tr> <td>Borrowings</td> <td style="text-align: right;">(511)</td> <td style="text-align: right;">(738)</td> </tr> <tr> <td>Net debt</td> <td style="text-align: right;">(852)</td> <td style="text-align: right;">(1,111)</td> </tr> </tbody> </table>	Period ended £m	As at 28 March 2026	As at 29 March 2025	Cash net of overdrafts	614	708	Lease liabilities	(955)	(1,081)	Borrowings	(511)	(738)	Net debt	(852)	(1,111)						
Period ended £m	As at 28 March 2026	As at 29 March 2025																					
Cash net of overdrafts	614	708																					
Lease liabilities	(955)	(1,081)																					
Borrowings	(511)	(738)																					
Net debt	(852)	(1,111)																					
Adjusted EBITDA	Adjusted EBITDA is defined as operating profit/(loss), excluding adjusting operating items, depreciation and impairment of property, plant and equipment, depreciation and impairment of right of use assets and amortisation and impairment of intangible assets. Any depreciation, amortisation or impairment included in adjusting operating items are not double counted. Adjusted EBITDA is shown for the calculation of Net Debt/EBITDA for our leverage ratios.	<p>Operating profit/(loss):</p> <table border="1"> <thead> <tr> <th style="text-align: left;">Period ended £m</th> <th style="text-align: right;">52 weeks ended 28 March 2026</th> <th style="text-align: right;">52 weeks ended 29 March 2025</th> </tr> </thead> <tbody> <tr> <td>Operating profit/(loss)</td> <td style="text-align: right;">115</td> <td style="text-align: right;">(3)</td> </tr> <tr> <td>Adjusting operating items</td> <td style="text-align: right;">45</td> <td style="text-align: right;">29</td> </tr> <tr> <td>Amortisation and impairment of intangible assets</td> <td style="text-align: right;">48</td> <td style="text-align: right;">58</td> </tr> <tr> <td>Depreciation and impairment of property, plant and equipment</td> <td style="text-align: right;">114</td> <td style="text-align: right;">122</td> </tr> <tr> <td>Depreciation and impairment of right-of-use assets</td> <td style="text-align: right;">227</td> <td style="text-align: right;">277</td> </tr> <tr> <td>Adjusted EBITDA</td> <td style="text-align: right;">549</td> <td style="text-align: right;">483</td> </tr> </tbody> </table>	Period ended £m	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025	Operating profit/(loss)	115	(3)	Adjusting operating items	45	29	Amortisation and impairment of intangible assets	48	58	Depreciation and impairment of property, plant and equipment	114	122	Depreciation and impairment of right-of-use assets	227	277	Adjusted EBITDA	549	483
Period ended £m	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025																					
Operating profit/(loss)	115	(3)																					
Adjusting operating items	45	29																					
Amortisation and impairment of intangible assets	48	58																					
Depreciation and impairment of property, plant and equipment	114	122																					
Depreciation and impairment of right-of-use assets	227	277																					
Adjusted EBITDA	549	483																					

CAPITAL ALLOCATION FRAMEWORK

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

While our capital allocation principles remain unchanged, given the current trading environment, in the short term we are taking a prudent approach to conserve cash and secure liquidity to support the business through the Burberry Forward transformation. This has temporary implications for the application of the framework, including not declaring a dividend in respect of FY 2025/26 and keeping future capital returns under review. We intend to return to paying a dividend as soon as possible.

Net Debt/Adjusted Earnings Before Interest, Taxes, Depreciation and Amortisation (Adjusted EBITDA) was 1.6x at FY 2025/26 (FY 2024/25: 2.3x) on a rolling 12-month period, above our target range of 0.5x to 1.0x. We continue to be a cash generative business and are comfortable with this current leverage position which is consistent with our policy to maintain an investment grade credit rating. We will deliver sustainable profitable growth and drive cash flow under our strategic plan, which we are confident will organically de-lever the business to our target range over time. The diagram below summarises the key priorities of our framework.



Maintain a strong balance sheet with an investment grade credit rating

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

These risks and financial parameters are considered by the Board when assessing the viability of the Group, as set out on pages 95 to 105.

Capital structure metrics	FY 2025/26	FY 2024/25
Cash net of overdrafts	£614m	£708m
Lease liability	(£955m)	(£1,081m)
Borrowings	(£511m)	(£738m)
Net debt	(£852m)	(£1,111m)
Net debt/EBITDA	1.6x	2.3x

OUR PEOPLE AND CULTURE



Hand-stitched: a trench collar requires up to 270 stitches to create a fluid curve.

At Burberry, our people and culture underpin how we deliver for our customers, our brand and our shareholders. We are building a high-performance culture that encourages creativity and collaboration, and enables colleagues to do their best work.

Guided by our reimagined purpose, To Embrace the Elements with Open Arms, we bring together diverse perspectives, skills and expertise to create exceptional luxury products and experiences. Our purpose also informs the standards of behaviour we expect, how we lead and how we make decisions across the business. The Board oversees and reviews how our culture aligns with our purpose and strategic priorities (see [Monitoring our Culture](#) on page 116).

As a global organisation operating in more than 140 countries and territories, we draw from our teams' breadth of experience, ideas and talent. Our heritage of innovation inspires our colleagues to push boundaries, raise standards and help shape the future of luxury.

This section outlines how we are bringing our purpose and values to life, strengthening our culture and evolving the way we drive Burberry Forward. It highlights how we invest in leadership, build capabilities and amplify colleague voices while fostering growth, inclusion and a sense of belonging, with the aim of enabling our people to realise their potential.

REIGNITING A HIGH-PERFORMANCE CULTURE

Following its launch in FY 2024/25, we continued to embed Burberry Forward into our People strategy during FY 2025/26. With the aim of fostering a culture that maximises the creativity and talent of our people, our roadmap has four pillars:

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

1. Organising for Growth

In FY 2025/26, following a period of significant underperformance, and against a background of macroeconomic uncertainty, we announced changes to our ways of working and organisational structure that impacted circa 1,700 roles across the Company. These changes were necessary to align our cost base with the scale of the business, while protecting our investment in consumer-facing areas. The changes also enabled greater collaboration and an increase in agility as we focused on returning the business to sustainable and profitable growth for the long term.

We evolved our Executive Committee to further sharpen our focus on executional excellence. The creation of the Chief Operating and Supply Chain Officer role strengthened our end-to-end product operating model, while the introduction of the Chief Customer Officer role supported our aim of expanding and deepening customer relationships. Reflecting the calibre of talent in our pipeline, both positions were filled internally. We also appointed our Regional Presidents to the Executive Committee, for more alignment between leadership decisions and our customers.

To bolster both our creative and commercial focus, we transitioned our ready-to-wear design organisation from a combined structure to dedicated Womenswear and Menswear teams. This model enables clearer accountability and greater alignment between our runway vision and the collections we deliver. Throughout the transition, we prioritised colleague engagement through more frequent global, functional and regional town halls, employee listening forums and regular leadership communications. Supported by the Executive Committee, the CEO used these forums to provide clarity, guide leaders through the changes and share progress on Burberry Forward.

2. Authentic Leadership

Throughout the year, we focused on cultivating authentic leadership, preparing our leaders to inspire colleagues and guide teams as we continued to implement our Burberry Forward strategy. As part of our B:Leaders Framework, our development approach for senior leaders at Director level and above, we hosted regional workshops which focused on leading through transformation. These were supplemented with regular communications from leaders to reinforce strategic priorities. We also launched the Leadership Edition, an interview series featuring Executive Committee members. Highlighting diverse paths to leadership, the series also helps colleagues get to know senior leaders better.

In October 2025, we introduced the B:Managers Hub, a learning and development platform for Burberry line managers. Combining skills-based virtual learning with a Line Manager Playbook, it promotes a consistent, high-quality management experience and further strengthens our high-performance culture.

3. Talent at the Centre

The delivery of Burberry Forward is powered by our people. Investing in their growth supports our collective efforts towards realising Burberry's full potential. To reignite our high-performance culture, we have expanded opportunities for colleagues to build skills and shape their own career paths. To support this, we have articulated our careers and growth philosophy, increased visibility of internal career opportunities and equipped colleagues with tools to drive their own careers and foster a learning mindset.

During the financial year, 294 colleagues were promoted internally and 640 colleagues made lateral career moves across the business globally, reflecting our continued focus on internal mobility and the development of talent across markets, regions and functions.

In FY 2025/26, we evolved our talent review and performance management processes to support succession planning and long-term development. Executive Committee talent reviews were introduced and cascaded across the organisation to increase transparency and consistency in how talent is identified, assessed and matched to career progression opportunities. Guided by colleague feedback, we also simplified our performance management approach with the aim of supporting a culture that is in line with our strategy.

Our UK Internal Apprenticeship Programme remains a key pathway for colleague development. Co-designed with our people and delivered with external training partners, the programme enables UK-based colleagues to explore and develop skills across more than 30 disciplines, working towards qualifications up to degree level while remaining in full-time roles. In FY 2025/26, we sustained a high standard of support for apprentices. We achieved a 77% increase in programme completions and 18% of our Apprenticeship Programme alumni were promoted into new roles in the period.

4. Purpose and Belonging

In October 2025, we shared our reimagined purpose and values at a dedicated global town hall, marking an important step in strengthening a culture of belonging across Burberry. As our purpose and values serve as the guiding framework for everything we do, a network of champions was tasked with bringing our values to life for their teams and business areas across Burberry. The launch was further supported by a series of activations, including a programme for our retail teams.

United by our purpose, we are creating more opportunities for our people to come together. We introduced two new employee engagement groups to support cultural alignment, engagement and communication across the organisation.

Our colleagues' voices remain central to a culture where everyone can thrive. Through our B:Heard listening framework, we gathered insight from our Pulse and annual Employee Engagement Surveys in FY 2025/26. (For further information see page 116). Scores for comparable statements from FY 2024/25 improved or remained stable, reflecting sustained engagement and a strong connection to Burberry, even during a period of organisational change. To further embed listening across the colleague experience, we introduced targeted surveys at pivotal moments for our people, such as after they have been promoted and when they return to work after long-term sickness or parental leave.

Building on the foundations of our Diversity, Equity and Inclusion Policy and programmes, we are evolving our approach to focus more explicitly on belonging, which is resonating strongly across our global workforce. This starts with listening to our colleagues. In March 2026, we launched an internal campaign to help define what belonging at Burberry means, bringing together colleague perspectives into a shared definition aligned with our reimagined purpose and values. In FY 2026/27, we will embed this throughout our Human Resources processes, from talent acquisition and development to engagement and performance, to support an environment where colleagues can continue be themselves and feel valued and part of our brand.



SUSTAINABILITY AT BURBERRY



Made in the UK: Heritage Trench Coats have been manufactured in Castleford, Yorkshire, for over 50 years.

At Burberry, we endeavour to act responsibly with respect to climate and nature, the communities in which we operate and those employed within our business and wider supply chain.

SUSTAINABILITY INFORMATION

Burberry Beyond	37
Value Chain	37
Section 172 (1) Statement and Stakeholder Engagement	38
Double Materiality Assessment	41
Governance and Management	43
Basis for Preparation	45

ENVIRONMENTAL DISCLOSURES

Climate Change	46
Chemical and Pollution Management	60
Water Conservation	62
Biodiversity and Ecosystems	65
Resource Use and Circular Economy	71

SOCIAL DISCLOSURES

Our Workforce	76
Occupational Health and Safety	79
People in our Supply Chain	82
Community Investment	87

BUSINESS CONDUCT DISCLOSURES

Anti-Bribery and Corruption	92
Animal Welfare	93

SUSTAINABILITY INFORMATION

1. Burberry Beyond

Our business model relies upon the products we create and the people who make them. From the materials we source to the aftercare services we provide, we strive to deliver long-term sustainable value for our stakeholders across the life cycle of our products. To deliver on this commitment, we aim to build a resilient and sustainable value chain which supports the business through our Sustainability strategy, Burberry Beyond.

Guiding how we manage material sustainability-related impacts, risks and opportunities (IROs) within our value chain, Burberry Beyond's Product and Planet pillars, which are the subject of our Environmental Disclosures section (pages 46 to 75), focus on strengthening Burberry's resilience by minimising our environmental footprint and taking a responsible approach to how we craft and package our products. Burberry Beyond's People and Community Investment pillars, which set out our approach with respect to our people, the people in our supply chain and the communities we impact, are addressed in our Social Disclosures section from pages 76 to 90.









In FY 2025/26, we evolved our Burberry Beyond strategy with the refinement of key targets across climate (page 55), deforestation (page 68), packaging (page 73) and traceability (page 68) to reflect our learnings and progress since Burberry Beyond was launched in FY 2022/23. Further details of the revisions to the respective targets are detailed in the relevant sections on pages 46 to 75.

2. Value chain

Our Burberry Beyond strategy addresses material sustainability-related IROs across our value chain. Our upstream value chain covers activities involved in the development and manufacture of our products, including raw material production and processing. While the majority of these activities take place with a network of supply chain partners, our internal manufacturing sites are also included in the scope of the upstream value chain. Our own operations consist of Burberry-managed sites and activities, including our stores, offices and distribution centres. Finally, our downstream value chain includes retailing and purchasing, as well as the use, aftercare and end-of-life phases of our products.

Details of our material sustainability impacts, risks and opportunities as identified in our double materiality assessment (DMA) can be found on pages (46 to 103).

Our value chain

	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	<ul style="list-style-type: none"> Raw material extraction Agriculture/farming Mechanical fibre processing (for example, ginning, which is the process of separating cotton fibres from cotton seeds)
	Tier 3	 Raw material processors	Treatment of fibre or yarn	<ul style="list-style-type: none"> Spinner (yarn supplier) Fibre dyer or scourer Unfinished leather supplier
	Tier 2	 Raw material suppliers	Raw material processes	<ul style="list-style-type: none"> Trim supplier Fabric supplier Finished leather supplier Weaver Converter
	Tier 1	 Finished goods suppliers	Manufacturing of finished products	<ul style="list-style-type: none"> Factory where the cutting, sewing and finishing of a garment occurs, including internal manufacturing
Own operations	Tier 0	 Company-managed assets	Physical sites operated by Burberry	<ul style="list-style-type: none"> Offices Retail stores Distribution centres, hubs and local fulfilment centres (LFCs)
Downstream value chain		 Retailing and distribution	Distribution, marketing and purchasing of products	<ul style="list-style-type: none"> Customers Sales channels (licensees, franchises, wholesalers)
		 Use phase	Consumer use of products	<ul style="list-style-type: none"> Customer care
		 End of life	Product end-of-life phase	<ul style="list-style-type: none"> Prevent, reduce, reuse, recycle and recovery

3. Section 172 (1) statement and stakeholder engagement

Section 172 (1) statement

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

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

Section 172 (1) factor



<p>(a) The likely consequences of any decision in the long term</p>	<p>The decisions taken by the Directors are aimed at ensuring Burberry has a stable and viable future. The key decisions taken by the Board during FY 2025/26, namely the rearticulation of Burberry’s purpose and values, the promotion of Burberry’s financial stability and our approach to sustainability, demonstrate how the Directors considered the decisions’ likely consequences and how their outcomes would support Burberry in the long term. The Directors’ considerations included macroeconomic and geopolitical factors, trends in the global personal luxury goods market, and principal and emerging risks and how these might impact the business.</p> <p>Further information on the global luxury market can be found on page 14.</p> <p>Further information on principal risks can be found on page 97.</p> <p>Further information on key decisions can be found on page 119.</p>
<p>(b) Interests of employees</p>	<p>Burberry’s people, whether direct colleagues or people in the supply chain, are fundamental to the success of our business. The Board’s decisions are aimed at fostering a high-performance culture with Burberry’s values at the core. The Board’s decisions to re-articulate Burberry’s purpose and values and implement a new organisational model support the long-term future of our people.</p> <p>Further information on our people can be found on page 33.</p> <p>Further information on the Burberry Forward pillar to Reignite a High-performance Culture can be found on page 24.</p> <p>Further information on how the Board engages with employees can be found on page 115.</p>
<p>(c) Fostering the company’s business relationships with suppliers, customers and others</p>	<p>Customers are at the centre of everything we do at Burberry. Reflecting this, the Board monitors brand sentiment, customer engagement and trading performance. As a luxury goods business, our supply chain is core to our success and we seek to promote and apply ethical conduct and principles of business engagement in our relationships with our suppliers. The Board monitors these relationships through reports from executive management.</p> <p>Further information on how we engage with our customers can be found on page 39.</p> <p>Details of the Burberry Forward strategy can be found on page 17 as well in the Business Update section on pages 18 to 24.</p> <p>Further information on supplier relationships can be found on page 40.</p>
<p>(d) Impact of operations on the community and environment</p>	<p>Acting responsibly with respect to the environment and the communities in which we operate is a key focus for Burberry, as reflected in the Board’s decision to approve new sustainability targets and our Climate Transition Plan.</p> <p>Further information on the environment and the communities in which we operate can be found in the Sustainability at Burberry section from pages 36 to 90.</p>
<p>(e) Maintaining a reputation for high standards of business conduct</p>	<p>The Board periodically reviews and approves Burberry’s Code of Conduct and other key policies aimed at upholding the highest standards of business conduct.</p> <p>Further information on business conduct at Burberry can be found on pages 91 to 93.</p>
<p>(f) Acting fairly between members of the Company</p>	<p>When making decisions, the Board considers which outcomes will support Burberry’s long-term future and promote the interests of the Company’s members as a whole. In this way, Burberry acts fairly between members.</p> <p>Further information on the Board’s engagement with shareholders can be found on page 39.</p>

Understanding our stakeholders’ perspectives, priorities and values allows us to position Burberry to deliver long-term sustainable value. We regularly engage with our stakeholders across the business and ensure that we balance the priorities of different stakeholder groups. This insight influences decision-making and planning both at management and Board level and shapes how we deliver our strategy.

Documents submitted to the Board for approval are required to identify potential impacts on stakeholder groups. This process allows the Board to engage in informed discussions before making key strategic decisions.

The Board’s focus areas during FY 2025/26 and key decisions made in the period are set out on pages 118 to 119. References to how stakeholder views were addressed as well as engagement outcomes are included on pages 39 to 40.

Through our engagement with our stakeholders and our work with our partners we aim to drive change and deliver sustainable value.

Stakeholder	Why we engage	How we engage	Example outcomes of the engagement
 <p>Customers</p> <p>A broad range of luxury customers who buy and experience Burberry through our global network of directly operated stores, concessions, wholesale partners and Burberry.com.</p>	<p>Our customers are fundamental to our long-term success. We aim to inspire and delight them with luxury products of exceptional quality. We provide exemplary customer service through a seamless omnichannel experience and facilitate meaningful connections between our customers and our brand.</p>	<p>We engage with our customers through messaging on products, marketing campaigns, social media, Company websites, global consumer research and in-store events.</p> <p>The Board receives customer insights through presentations from the CEO and newly appointed Chief Customer Officer as well as regional Presidents. Board members regularly visit store locations globally and attend special events such as store events and runway shows.</p> <p>During FY 2025/26, the whole Board visited stores in the UK, and individual Board members visited stores in the USA, Europe and Asia as well as attending the Summer 2026 and Winter 2026 runway shows in London.</p>	<p>The Board approved the development of a holistic customer strategy designed to drive customer growth and loyalty through enhanced customer experience and a customer-first culture.</p> <p>Implementation of the strategy began in FY 2025/26 and included bringing all customer functions under the Chief Customer Officer, improving clientelling practices, introducing customer Key Performance Indicators (KPIs) and training of retail teams.</p> <p>While we are still in the early stages of our transformation, our customers have responded positively to the changes we have made as part of Burberry Forward.</p>
 <p>Shareholders</p> <p>Individuals and institutions who own shares in Burberry and invest in the Company for long-term sustainable value.</p>	<p>By investing in Burberry, our shareholders support the Company’s ability to operate and plan for the long term through our Group’s strategy. We are open and transparent with our shareholders about our strategy and business performance, which enables them to make informed decisions.</p>	<p>We engage directly with shareholders through quarterly trading updates, results presentations, investor meetings and the AGM.</p> <p>Board members attend investor meetings and results presentations. Shareholders have the opportunity to engage directly with the Board at the AGM. The Board reviews all major shareholder communications and receives regular updates on matters of interest to investors.</p>	<p>During FY 2025/26, Non-Executive Directors held meetings with investors, with Executive Directors and other members of the senior management team, including a number of meetings to explain the proposed Remuneration Policy as described on pages 150 to 160. Investor concerns were considered by the Board when approving the key decisions set out on page 119. Further details on shareholder engagement can be found on page 115 of the Corporate Governance Statement.</p>

Stakeholder	Why we engage	How we engage	Example outcomes of the engagement
 <p>People</p> <p>Our colleagues work across our global business, representing a wide range of roles from our Retail teams to corporate functions and supply chain operations.</p>	<p>Our people are creative and highly skilled in their respective fields and we are committed to their development. Ensuring our workforce is engaged and motivated is an important driver for our business. Enhancing their skills and training, supporting their wellbeing and representing their voices through our belonging initiatives are key priorities.</p>	<p>In addition to Employee Engagement Surveys, in FY 2025/26 the CEO led seven global town halls for colleagues while the Chair also hosted a number of town hall events when travelling around the business. The Global Workforce Advisory Forum (WAF) also provides an opportunity for Non-Executive Directors to hear directly from employees. More details can be found on page 115.</p>	<p>The results of Employee Engagement Surveys have supported the implementation of the Reignite a High-Performance Culture pillar of Burberry Forward. Colleagues have shown appreciation for increased communication, transparency and simplification. Feedback from colleagues led to a greater focus on developing career paths and learning and development using our digital learning platform.</p>
 <p>Partners</p> <p>Our partners include a broad range of suppliers, companies and third-party retailers who we work with across our value chain.</p>	<p>Working in collaboration with our partners enables us to share expertise and explore opportunities for innovation. We nurture close relationships to ensure operational excellence across our network and to drive social and environmental improvements.</p>	<p>The Board receives briefings and updates on how we are engaging with our partners to achieve our sustainability targets and updates on ethical audits across our supply chain.</p>	<p>Our long-term partners support our focus on core categories, driving operational efficiency, working together to reduce environmental impact while acting responsibly towards the people in our supply chain. We continue to explore opportunities to develop products using innovative, certified and responsibly sourced raw materials and expand our circular business models.</p>
 <p>Governments</p> <p>Governments around the world who directly influence matters which impact Burberry, such as the long-term retail environment, employment laws, trade, environmental and social priorities, tax and other business matters.</p>	<p>Engaging with governments in the countries and territories where we operate supports our ability to operate effectively. We seek to understand evolving policy priorities and share our own perspectives, working together on shared environmental, social, economic and governance matters.</p>	<p>The Board is briefed on engagements with governments throughout the year as well as key matters, including economic, trade, tariffs, investment outlook, Value Added Tax (VAT), workplace regulations and the evolving environmental and climate change regulatory landscape to ensure readiness for implementation.</p>	<p>We continue to communicate with governments on key issues and solutions, for instance, participating in policy round tables, providing evidence for consultations and industry partners.</p>
 <p>Communities</p> <p>Communities where we operate and those supported through our supply chain and charitable initiatives.</p>	<p>We support our communities through The Burberry Foundation (UK registered charity number 1154468) and its flagship Burberry Inspire programme, which drive positive change and help build a more sustainable future for young people.</p>	<p>The Board approves the budget for charitable donations, including to The Burberry Foundation. The Board also receives updates on how Burberry is supporting communities as well as opportunities to support local projects and organisations.</p>	<p>The Burberry Inspire programme supported initiatives in a number of regions to build life-long skills through creativity, with the goal of positively impacting the lives of young people. We also provided employee volunteering opportunities connected to our communities.</p>

4. Double Materiality Assessment

Purpose

In FY 2025/26, we carried out a double materiality assessment (DMA) to identify and evaluate the sustainability topics across our value chain which are material to us as a business. Undergoing a DMA enables us to understand materiality from two lenses: financial materiality (the impact the environment and society have on Burberry's financial position) and impact materiality (the impact Burberry has on the environment and society).

Understanding our materiality enables us to monitor the most significant IROs across our value chain and manage these accordingly. The results of our DMA have been used to support the evolution of our Burberry Beyond strategy and will continue to guide our actions across these sustainability topics.

Stakeholder engagement

We are building a stronger Burberry by listening to our stakeholders. Regularly engaging with stakeholders throughout the year helps us to understand their priorities and shape how we deliver our strategy (as detailed on pages 39 to 40). In addition to this ongoing engagement, we also incorporated insights from stakeholders as part of our FY 2025/26 DMA process. Using a combination of public reports and primary data from conversations and surveys, we ensured our stakeholders' priorities were represented in the DMA and material topics were identified and prioritised based on this.

Methodology

Performed using the concepts and framework of the European Sustainability Reporting Standards (ESRS), our DMA involved a multi-step process of identifying, assessing and validating sustainability-related IROs across our value chain. Partnering with a third-party AI-based application, which gathered information from millions of publicly available sources, we used a data-driven, evidence-based approach. Data sources included mandatory regulations, corporate reports and media, in addition to information garnered from voluntary initiatives and standards and frameworks created by self-regulatory industry bodies and NGOs, such as the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) standards. We also included data representative of the opinions and voices of stakeholders (as mentioned in the Stakeholder engagement section above). This comprised feedback derived from discussions with key supply chain partners, customer insights and reports, as well as the results of a survey conducted with our Sustainability Committee and Ethics Committee members. The outcomes of this analysis provided us with an understanding of the external and internal context within which we operate, including a list of relevant sustainability topics across our value chain to be evaluated for IROs.

Based on the outcomes of the context analysis, a long list of IROs was evaluated by 20 subject-matter experts across the business. For financial risks and opportunities, subject-matter experts determined the likelihood of the topics occurring and the magnitude of potential financial effects if they were to occur. The scales used for this assessment were aligned with our Group Risk Management Framework. For negative and positive impacts, the IROs were assessed based on scale, scope and irremediability (for negative impacts). All IROs were also determined by their classification (actual or potential), time horizon and their placement on the value chain.

The assessed IROs were then validated by the Corporate Responsibility and Sustainable Finance teams to ensure consistency across the scoring and alignment of assumptions made. All financial risks and opportunities were also reviewed against our Group Risk Management Framework and principal risks (see page 95 for more information). The IROs were then mapped to a list of topics and sub-topics aligned to the ESRS. The materiality thresholds applied to the DMA were quantitative and agreed across Corporate Responsibility and Sustainable Finance to ensure levels were reflective of our organisational size and structure while taking account of our external impacts.

Outcomes of our DMA

The calibration of the IROs resulted in a final list of 10 material sustainability topics and 24 sub-topics. This list of material sustainability topics was approved by the Audit Committee in March 2026.

The material sustainability topics and sub-topics identified in our DMA process as being the most significant to and for our business are listed on page 42. The locations of disclosures covering each material topic can also be found in this table. These topics form the basis of our FY 2025/26 sustainability reporting as demonstrated throughout this report on pages 36 to 90.

Material sustainability topics

Topic	Sub-topic	Value chain location	Disclosure location within Annual Report 2025/26
Climate change	Climate change adaptation	■ ■	Climate Change section, pages 46 to 60 Water Conservation section, pages 62 to 65
	Climate change mitigation	■ ■ ■	Climate Change section, pages 46 to 60
	Energy	■ ■	Climate Change section, pages 46 to 60
Pollution	Substances of concern	■	Chemical and Pollution Management section, pages 60 to 62
	Pollution of water	■	Chemical and Pollution Management section, pages 60 to 62
Water and marine resources	Water	■	Water Conservation section, pages 62 to 65
Biodiversity and ecosystems	Direct impact drivers of biodiversity loss	■ ■	Biodiversity and Ecosystems section, pages 65 to 70
	Impacts on the extent and condition of ecosystems	■	Biodiversity and Ecosystems section, pages 65 to 70
Resource use and circular economy	Resource outflows related to products and services	■ ■	Resource Use and Circular Economy section, pages 71 to 75
	Resource inflows, including resource use	■ ■	Resource Use and Circular Economy section, pages 71 to 75
	Waste	■ ■ ■	Resource Use and Circular Economy section, pages 71 to 75
Own workforce	Equal treatment and opportunities for all	■	Our Workforce section, pages 76 to 79
	Working conditions, including employee health and safety, wellbeing and wages	■	Our Workforce section, pages 76 to 79 Occupational Health and Safety section, pages 79 to 81
Workers in the value chain	Equal treatment and opportunities for all	■ ■	People in our Supply Chain section, pages 82 to 87
	Working conditions	■ ■	People in our Supply Chain section, pages 82 to 87
	Other work-related rights, including human rights	■ ■	People in our Supply Chain section, pages 82 to 87
Affected communities	Community investment	■	Community Investment section, pages 87 to 90
Consumers and end users	Information-related impacts for consumers and/or end users	■ ■	Risk and Viability report, page 101
	Personal safety of consumers and/or end users, including product safety	■	Chemical and Pollution Management section, pages 60 to 62
Business conduct	Animal welfare	■	Animal Welfare section, page 93
	Corporate culture, including compliance with regulatory standards	■	Risk and Viability report, page 103
	Corruption and bribery	■	Anti-Bribery and Corruption section, page 92
	Management of relationships with suppliers	■	People in our Supply Chain section, pages 82 to 87
	Intellectual property (IP)	■	Risk and Viability report, page 103

■ Upstream ■ Own operations ■ Downstream

Note: although aligned to the ESRS topic list, we do not claim compliance with the Corporate Sustainability Reporting Directive (CSRD) nor the ESRS for FY 2025/26.

Disclosures relating to the sub-topics of corporate culture, IP, and information-related impacts for consumers and/or end users can be found within our Risk and Viability Report on pages 95 to 103 where details of these risks and the associated mitigating actions are provided.

Risk management and internal controls

The overarching approach to identifying sustainability-related risks is the same as for all principal risks, which is detailed on pages 95 to 97. For each risk, including climate change and supply chain impacts, we have a Risk Management Framework detailing the controls in place and those responsible for managing the overall risk and the relevant mitigating controls. We monitor risks throughout the year to identify changes in principal risk profiles. Management of sustainability-related risks is distributed throughout the organisation, depending on where the risk resides. For example, climate-related risks in relation to raw materials in the supply chain are managed by our Raw Material Procurement team responsible for buying materials.

When sustainability-related risks are assessed, existing mitigating activities and controls are highlighted and, where relevant and appropriate, additional activities and controls are implemented if risks fall outside of risk tolerance. Progress against these mitigating activities is assessed by the appropriate Committee responsible for monitoring the associated risk (as described in the Management oversight section on page 43).

Sustainability-related risks and opportunities are continually monitored as part of our Group Risk Management Framework. This allows us to evaluate the relative significance of our risks based on their likelihood and impact, and to prioritise accordingly.

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

5. Governance and management

Board oversight

Sustainability is a core part of Burberry's strategy, with the Board responsible for both its oversight and its integration across the business.

Our Governance Framework of Committees and advisory forums provides updates and key information to the Board to ensure it can make informed decisions. This is outlined in the Corporate Governance Statement on pages 121 to 122. The Matters Reserved for Board Decision and the Committees' terms of reference, which are available in the Corporate Governance section of Burberryplc.com, provide more detail on the role of the Board and each of its committees.

The Board considers sustainability-related issues, including spend associated with our Burberry Beyond strategy, capital expenditure relating to improving energy efficiency in our own operations and colleague bonuses aligned to our sustainability targets. The Board also oversees and monitors the risks and opportunities related to climate change, nature and water. Further information on Burberry's risk management approach is included in the Risk and Viability Report on pages 95 to 97.

As part of its review of preparedness for upcoming sustainability-related regulatory requirements, the Audit Committee reviewed and approved the results of the DMA for external publication. In addition, sustainability reporting is considered as part of the Board's assessment of whether the Annual Report is fair, balanced and understandable.

The Board also receives an annual update on the Company's community investment agenda and approves the budget for charitable giving.

Management oversight

Burberry's CEO is accountable for implementing Burberry Beyond at the executive level and delegates managerial oversight of environmental and social responsibility matters to our Corporate Responsibility team. Led by the Vice President of Corporate Responsibility, the team guides the execution of our Burberry Beyond strategy by collaborating with teams across the business, including Sustainable Finance, Information Technology (IT), Legal, Product Development, Supply Chain and Human Resources. The management team tracks performance against our Burberry Beyond commitments and mitigation measures and provides regular updates to the Board and Committees on progress and performance.

The Company's Sustainability Committee, which is chaired by the CEO, is responsible for reviewing and overseeing targets relating to the Product and Planet pillars of our Sustainability strategy, Burberry Beyond. The Committee is responsible for the identification, assessment and management of environmental risks and opportunities, including nature- and water-related risks such as land use change and water dependencies across our value chain. The Committee plays an important decision-making role in supporting Burberry's environmental agenda, with membership including senior leaders from across the organisation who are responsible for the execution of the strategy within their respective business areas. This includes operational planning and supply chain due diligence processes to manage exposure to land conversion risks, water availability and quality constraints, as well as associated regulatory and reputational risks. In FY 2025/26, the Sustainability Committee met three times and provided the Board with two updates. These included progress against the Company's sustainability-related goals and targets as well as Burberry's decarbonisation plans and disclosures.

The Ethics Committee oversees the Company's governance and strategy relating to our social agenda, including the governance of human rights risks across our value chain. Where risks are identified, they are reported by management to the Ethics Committee, which reports directly to the Audit Committee. The Ethics Committee also has oversight of our community investment work as it reviews the Company's charitable giving twice a year.

The Risk Committee, which is chaired by the Chief Financial Officer (CFO), is responsible for managing and monitoring sustainability-related IROs. It has oversight of the Company's climate-related financial risk disclosures and preparations for upcoming reporting regulations.

Knowledge and skills

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 Beyond. Where required, additional training is provided. To support the Board in its review and ongoing monitoring of Burberry's Climate Transition Plan, the Board undertook carbon literacy training in February 2026. Details regarding Board members' sustainability skills and experience are included in the biographies section on pages 109 to 112.

Building sustainability knowledge and educating colleagues across the business are both fundamental to the delivery of our Burberry Beyond strategy. Through frequent engagements and communications, alongside tailored and targeted training, we strive to develop the sustainability learning of our colleagues on a continuous basis.

We aim to reach as many colleagues as possible through internal communications, including a weekly sustainability fast-fact series and a periodic sustainability newsletter covering everything from spotlights on colleagues who support the delivery of Burberry Beyond to sustainability regulation updates. In FY 2025/26, we introduced a weekly call entitled 'Leaders Look Ahead and Round Up' with the purpose of sharing key business updates, including relevant sustainability communications, for leaders to cascade across their teams.

We have enhanced our colleague training to focus on reaching new audiences during the year. For our supply chain and product development colleagues, we continued to deliver training covering how our Burberry Beyond strategy supports the delivery of product sustainability and responsible sourcing. We also expanded this training to include dedicated sessions for Design teams with a focus on sustainable product development from materials to manufacturing and circularity. On top of the guidance our Marketing colleagues receive on our Sustainability Principles for creative marketing, in FY 2025/26, we introduced tailored training for relevant marketing teams on the responsible and compliant use of environmental claims. The aim of this training is to reinforce the importance of ensuring all sustainability-related product claims are credible and in line with our internal Green Claims Policy and Green Claims Standard Operating Procedure.

Raising awareness and conducting training on the risks associated with modern slavery is essential for all relevant internal stakeholders and functions that may identify or influence modern slavery risks across the business. In FY 2024/25, we launched our online mandatory Modern Slavery training programme. We expanded the rollout of this training in FY 2025/26, requiring completion from over 1,695 colleagues globally across Supply Chain, Product Development, Corporate Responsibility, Human Resources and Retail functions, achieving a 94% completion rate. This training helps colleagues who have close contact with our key rights holders (including employees, supply chain workers, communities and our customers) to be more familiar with the risk areas, likely indications of human rights abuses (including instances of modern slavery) and actions to take if an incident of modern slavery is identified.

In addition to training and internal communications, we engaged colleagues through in-person and live-streamed events, including six panel events, two sustainable product showcases and two Burberry Inspire showcases.

In FY 2025/26, we hosted two Sustainable Product and ReBurberry showcases in our Leeds and London offices, inviting colleagues to explore the materials, innovations, initiatives and services behind our Burberry Beyond strategy. These exhibition-style events provided colleagues with an opportunity to meet subject-matter experts working on sustainability and experience our ReBurberry services in person, including refreshing their own cashmere and leather items. We also held Burberry Inspire showcases in London and Milan to bring young people together to celebrate creativity and highlight successful collaborations with local communities (see page 89 to 90 for more details on Burberry Inspire events).

We prioritise connecting with our colleagues across the globe to ensure our teams have the relevant sustainability-related knowledge and skills to support decision-making. In FY 2025/26, we launched a series of live-streamed panel events covering all four pillars of our Burberry Beyond strategy: Product, Planet, People and Community Investment. The panel events covered topics including the 'Future of Sustainable Luxury', 'Ask Me About: Sustainability at Burberry' and a human rights-focused session. Collectively these events reached an in-person audience of 500 colleagues and over 1,000 via digital streams.

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 our long-term incentive plan. For FY 2025/26, 25% of the annual bonus for Executive Directors was linked to performance against strategic objectives related to our Burberry Forward strategy, including key sustainability measures. The Burberry Share Plan (BSP) award granted to the Executive Directors in 2025 also included a sustainability underpin. More information about our remuneration for FY 2025/26 can be found on pages 141 to 177.

Since FY 2023/24, we have linked a proportion of our discretionary annual corporate bonus plan for the wider workforce to the achievement of sustainability metrics. This approach encourages all colleagues to consider their contribution to our Burberry Beyond strategy.

6. Basis for preparation

Scope of data

The data in this section is based on the period 1 April 2025 to 31 March 2026, unless otherwise stated. For the avoidance of doubt, the Company's financial accounting period is from 30 March 2025 to 28 March 2026. However, references to FY 2025/26 for the indicators included in the Sustainability at Burberry section (pages 36 to 90) refer to the period 1 April 2025 to 31 March 2026. Our sustainability data for FY 2025/26 covers our global operations. Any re-baselining undertaken due to changes in calculation methodologies or data availability have been added as footnotes to the data tables on the subsequent pages. We publish a separate Sustainability Basis of Reporting FY 2025/26 document on Burberryplc.com, which provides further details of the scope of our assured data and targets, as well as any assumptions or exclusions that apply. We have also added footnotes to the data tables on subsequent pages to explain any significant estimates or assumptions we have made.

Frameworks and legislation

This section contains our climate-related financial disclosure consistent with the Task Force on Climate-related Financial Disclosures (TCFD) (pages 46 to 75) to comply with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and UK Listing Rule 6.6.6R(8). Our energy and carbon data is reported on page 58 to comply with the UK's Streamlined Energy and Carbon Reporting requirements. We also publish a Modern Slavery and Transparency in the Supply Chain Statement on Burberryplc.com on an annual basis. This is in accordance with the UK Modern Slavery Act 2015, the California Transparency in Supply Chains Act of 2010, Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act and Australia's Modern Slavery Act 2018.

Non-financial Key Performance Indicators

We have developed non-financial measures to assess our performance against Burberry Beyond targets, with progress regularly monitored by our Board. For further details on environmental and social sustainability activities and FY 2025/26 progress against our Burberry Beyond targets, see pages 46 to 90. The Group has considered the non-financial reporting requirements under sections 414CA and 414CB of the Companies Act 2006 and has included details in the Annual Report.

Thresholds for restatement

Any restatements to sustainability data are clearly indicated with the reason provided. More information on our sustainability data methodologies, including our approach to greenhouse gas (GHG) emissions restatements can be found in our Sustainability Basis of Reporting FY 2025/26 on Burberryplc.com.

External assurance

We have engaged Ernst & Young LLP (EY) to provide an external independent limited assurance statement in accordance with ISAE 3000 on our FY 2025/26 TCFD disclosures and specific sustainability data denoted with a [^]. For the outcomes of this assurance, see the practitioner's Limited Assurance Report on Burberryplc.com.

ENVIRONMENTAL DISCLOSURES



A campaign image from the Gabardine Capsule 2026, photographed in Snowdonia, Wales.

Our purpose, To Embrace the Elements with Open Arms, reflects our heritage of creating outerwear that protects people from the weather and our deep connection to the outdoors. Businesses and society at large continue to face challenges presented by the climate crisis, water insecurity and biodiversity loss. Burberry is committed to addressing these issues to create a resilient business and sustainable value chain.

This section explains how our Burberry Beyond strategy helps us to manage our most significant environmental impacts and dependencies, mitigate risks and realise opportunities.

CLIMATE CHANGE

Introduction

Burberry has a longstanding commitment to addressing the impacts of climate change. Guided by the recommendations of the TCFD, we identify, assess and manage climate-related risks and opportunities, recognising climate change as a principal risk for the Company (see our Risk and Viability report on page 95).

Materiality underpins our approach to our decarbonisation agenda, and the results of the DMA we conducted in FY 2025/26 confirmed that climate change is a material topic for Burberry. This assessment strengthens our understanding of the risks and opportunities associated with climate change.

As our understanding of our GHG emissions has deepened, particularly across our value chain, we have refined our climate targets. We have extended our overall net zero target from FY 2039/40 to FY 2049/50, in line with the latest methodologies from the Science Based Targets initiative (SBTi). We remain committed to our short-term targets to deliver significant emissions reductions across Scope 1 and 2 by FY 2026/27 and Scope 3 by FY 2029/30. This decision, taken by the Board in FY 2025/26, is grounded in our business transformation and in building clear, credible delivery pathways that we know are required to decarbonise our business. As part of this, we have published our first Climate Transition Plan disclosure (available via [Burberryplc.com](https://www.burberryplc.com)) which outlines Burberry's objectives, strategy and governance to realise our net zero ambition.

The Burberry TCFD Basis of Reporting outlines how we have prepared the Financial Statements and disclosures, considering relevant TCFD guidance publications and the principles for effective disclosure. We have engaged EY as independent practitioners to provide a limited assurance statement in accordance with ISAE 3000 on our FY 2025/26 TCFD disclosures and specific sustainability data denoted with a [^].

For the results of that assurance, see EY’s Independent Limited Assurance Report and Burberry’s TCFD and Sustainability Basis of Reporting FY 2025/26 on Burberryplc.com.

TCFD statement

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

TCFD recommendations and recommended disclosures		Disclosure location within Annual Report 2025/26
<p>Governance</p> <p>Disclose the organisation’s governance around climate-related risks and opportunities.</p>	<p>a. Describe the board’s oversight of climate-related risks and opportunities.</p> <hr/> <p>b. Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p>Governance and management, pages 43 to 44</p>
<p>Strategy</p> <p>Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning where such information is material.</p>	<p>a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.</p> <hr/> <p>b. Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning.</p> <hr/> <p>c. Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>Climate Change, pages 46 to 55</p> <p>Action sections in:</p> <p>Climate Change, pages 56 to 57</p> <p>Chemical and Pollution Management, page 61</p> <p>Water Conservation, pages 63 to 64</p> <p>Biodiversity and Ecosystems, page 69</p> <p>Resource Use and Circular Economy, pages 73 to 75</p>
<p>Risk management</p> <p>Disclose how the organisation identifies, assesses and manages climate-related risks.</p>	<p>a. Describe the organisation’s processes for identifying and assessing climate-related risks.</p> <hr/> <p>b. Describe the organisation’s processes for managing climate-related risks.</p> <hr/> <p>c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation’s overall risk management.</p>	<p>Risk management and internal controls, page 43</p> <p>Risk and Viability Report, pages 95 to 105</p> <p>Climate Change, pages 46 to 55</p>
<p>Metrics and targets</p> <p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>	<p>a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <hr/> <p>b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.</p> <hr/> <p>c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.</p>	<p>Targets sections and Metrics sections in:</p> <p>Climate Change, pages 55 to 59</p> <p>Chemical and Pollution Management, page 62</p> <p>Water Conservation, pages 63 and 65</p> <p>Biodiversity and Ecosystems, pages 68 and 70</p> <p>Resource Use and Circular Economy, pages 73 and 75</p>

Approach

Strategy

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

Background to scenario analysis

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

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

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

Our approach to scenario analysis

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

Each physical and transition risk was modelled independently due to the complexity and uncertainty associated with measuring the interconnectivity of risks and how they influence each other. Planned future mitigating actions, including those to deliver our ambition to be net zero by 2050, have not been taken into consideration in the scenario analysis.

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

Scenarios evaluated

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

In FY 2025/26, we updated the scenarios used in our assessment of transition risks, drawing on scenarios developed by the NGFS, a coalition of central banks and supervisors. These scenarios focus more on how a potential transition to a low-carbon economy may take place and whether this is in an orderly or disorderly manner, moving away from the previously modelled linear scenarios. The scenarios used to evaluate physical risks remain consistent with prior years and are based on the IPCC's Shared Socioeconomic Pathways. For disclosure purposes, we have aligned the physical risk and transition risk scenarios, based on equivalent temperature outcomes.

The scenarios assessed include a low-emissions Net Zero 2050 pathway designed to limit global warming to below 1.5°C, in line with the TCFD recommendation that organisations assess resilience under a 2°C or lower scenario. The >4°C scenario used in previous years has been retired as it relies on outdated assumptions which do not reflect current energy transitions, particularly the rapid decline in renewable energy costs, which makes a significant global resurgence in coal use increasingly unlikely. The scenarios used in the modelling of climate-related risks are outlined on page 50, along with a summary of the potential global implications for both transition and physical risks under each pathway.

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

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

- Physical risk
 Policy risk
 Market risk
 Reputation risk
 Liability risk

Time horizons considered

We have defined our time horizons as:

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

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

Our viability assessment is broadly aligned to this timeframe, covering a three-year period. For the purposes of scenario analysis, we have extended the timeframe to five years using a growth assumption, which more closely aligns with our expected asset lifetimes and strategic plans.

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

Results of our scenario analysis




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

Overall, the results of our scenario analysis indicate that the physical and transition risks associated with climate change could impact the business in the short, medium and long term. The size of the impact will depend on the nature and speed of the global transition towards a low-carbon economy and the level of uncertainty increases beyond a five-year horizon. In the short to medium term, the Net Zero 2050 scenario would have most impact on Burberry before considering any mitigating actions, with market risk being a key driver of the impact.

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

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

Scenarios evaluated in Burberry’s climate-related risk analysis

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 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.	In the absence of additional interventions by governments globally, the pace of transition is slower and exposure to physical risks increases.	 ~3.0°C

Detailed risk analysis

This section details the approach and results of our scenario analysis for each modelled risk. The financial impact reflects the estimated loss in the Group’s discounted cash flows over the next five years, assuming no mitigating actions are taken. This impact has been categorised as ‘High’, ‘Medium’ or ‘Low’, reflecting materiality to the Group’s Financial Statements.

Our strategic response to the identified climate-related risks can be found within the Actions sections on pages 55 to 75 as indicated by the risk type icons.

Financial impact

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

Low: (£0 – £20 million) Medium: (£20 million – £100 million) High: (£100 million – £200 million)



Physical risk

Scenario



Net Zero
2050



NDCs



Current
Policies

Financial impact: Medium Medium Medium

How we modelled the risk

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


Potential areas of impact

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

The impact of physical risks will become more significant in the medium and longer term, particularly in the higher temperature scenarios. The impact of chronic physical risks, such as increasing global temperatures, will be particularly impactful over this time period.


Key assumptions

- Scenario analysis is based on our current asset base and value chain. Planned changes to our asset base and sourcing locations have not been taken into consideration in quantifying the five-year earnings at risk
- We have considered the extent to which financial impacts may be passed on to consumers. This has been assessed in line with expectations of market capacity for price increases




Policy risk


Scenario



Net Zero
2050



NDCs



Current
Policies

Financial impact: Medium Low Low

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

How we modelled the risk

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


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

Potential areas of impact

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


Key assumptions

- Scenario analysis and quantification of the five-year earnings at risk does not take into consideration our actions to be net zero by 2050 and therefore assumes a growth in GHG emissions aligned to an average growth rate used in our product forecast
- GHG emissions are based on our assured restated FY 2024/25 footprint. See page 58 for details
- We have considered the extent to which financial impacts incurred may be passed on to consumers. This has been assessed in line with expectations of market capacity for price increases
- The carbon prices used in the modelling are shadow prices as determined by the NGFS. This indicates what the price needs to be for the given NGFS pathway target to be achieved. Below details the average carbon price at the end of the modelling period:
 - Net Zero 2050 = USD 246 per tonne
 - NDCs = USD 63 per tonne
 - Current Policies = USD 6 per tonne
- The change in price relative to previous years' modelling is primarily driven by the adoption of the NGFS's scenarios and carbon prices. This has resulted in higher potential financial impacts under the Net Zero 2050 scenario, which shows the largest increase in global average carbon prices in comparison to FY 2024/25's equivalent pathways




Market risk


Scenario



Net Zero
2050



NDCs



Current
Policies

Financial impact: High Low Low

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

How we modelled the risk

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

Consumer preference shifts have been considered at a country level.

Potential areas of impact

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

Key assumptions

- Consumer perception of Burberry products is assumed to be linked to the carbon footprint of sourcing raw materials, production and distribution
- Scenario analysis is based on Burberry's Product strategy and revenues, aligned with its strategic vision and projected raw material usage
- We have considered how shifts in consumer preferences may impact operating margin and net cash. This has been assessed in line with our current cost structure

52

Burberry Annual Report 2025/26

Reputation risk

Scenario

Net Zero
2050

NDCs

Current
Policies

Financial impact:	Low	Low	Low
--------------------------	-----	-----	-----

Timeframe for most significant impact: short to medium term

How we modelled the risk

We quantified how climate activism due to negative perception of our climate impact and strategy may lead to reputational damage resulting in both loss of revenue and increased labour costs due to challenges in retaining and attracting employees.

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

Potential areas of impact

Society may engage in climate activism in the short to medium term with companies perceived as less sustainable being targeted, resulting in decreased revenue and reduced market share. Despite minimal shifts in consumer preferences in the short term under a Current Policy scenario, a section of society may engage in general activism against organisations due to their inaction in relation to climate change, resulting in disruption and lost revenue. Negative reputational impacts may also lead to difficulties in retaining and attracting employees, resulting in additional costs.

Key assumptions

- The model was updated in FY 2025/26, shifting from a probability-based approach to an events-based approach when assessing the potential likelihood and severity of reputation damaging events. Reputational impacts on employee retention and hiring have also been considered in FY 2025/26
- Scenario analysis is based on Burberry's product strategy and its GHG emissions when compared with the wider industry
- We have considered the extent to which financial impacts may be passed on to consumers. This has been assessed in line with expectations of market capacity for price increases

Liability risk

Scenario

Net Zero
2050

NDCs

Current
Policies

Financial impact:	Low	Low	Low
--------------------------	-----	-----	-----

Timeframe for most significant impact: short to medium term

How we modelled the risk

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

Potential areas of impact

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

Key assumptions

- Historical precedents and recent climate-related litigation trends were used to model the potential impacts of climate change litigation on Burberry. These were updated in FY 2025/26

Opportunities

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

Examples of such climate-related opportunities are summarised below.

TCFD opportunity area	Opportunity description	Actions taken to realise opportunity	Time horizon of impact
Resource efficiency	Use of more efficient production and distribution processes	We continue to implement energy efficiency measures across our operations. At our distribution hub in Blyth, we replaced the roof and installed new solar panels to increase on-site renewable energy generation. In addition, we conducted energy audits and introduced further efficiency improvements, including upgraded lighting across both our Blyth hub and internal manufacturing facilities in Italy.	Short/medium term
		We continue to monitor our real-time electricity consumption to identify anomalous consumption patterns and to support energy efficiency across our retail sites. We have targets in place for our internal sites to ensure continued progress in reducing emissions.	Short term
	Move to more efficient buildings	Improved building efficiency through obtaining LEED Gold certification in 18 additional stores and BREEAM Excellent certification for one of our sites, bringing our total to 153 certified sites since FY 2018/19.	Short/medium term
Energy source	Use of lower-emission sources of energy	100% of the electricity we consume is matched by an equivalent amount of renewable generation sourced from renewable tariffs, Energy Attribute Certificates, or generated through on-site renewables.	Short term
Products and services	Development and/or expansion of low-emission goods and services	In our Spring 2026 collection, we introduced our first product made from 100% recycled nylon. The fabric was crafted entirely from production offcuts. 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.	Short/medium term
		Our global ReBurberry aftercare services enable our customers to care for their products so that they can enjoy them for longer. By keeping items in use longer and minimising waste, these services lower demand for raw materials, energy and transportation, ultimately helping to reduce our overall carbon footprint. In FY 2025/26, we strengthened our aftercare offering for our iconic trench and scarf products and onboarded a further 10 repair vendors to support our aftercare service network. Our aftercare services comprise Trench Refresh and Reproofing, Outerwear Reproofing, Apparel Repair, Alterations, Scarf Refresh, Scarf Upcycle, Leather Refresh, Leather Repair, Canvas Bag Cleaning, Shoe Repair, Sneaker Refresh and Rewax.	Short/medium term
	The Corporate Responsibility team works closely with the Buying and Product Development teams to embed sustainability opportunities into seasonal merchandise plans.	Short term	
Products and services continued	Development of new products or services through research and development and innovation	Our Material Innovation team leads on identifying and developing innovative materials and processes that will help lower the environmental footprint of our business. As part of this, we are exploring waterless dyeing, a process during which pressurised carbon dioxide is used to dye fibres, almost entirely eliminating the need for water. This results in a more efficient dyeing process, reducing both chemical use and water intensity compared with conventional methods.	Short/medium term
Resilience	Participation in renewable energy programmes and adoption of energy efficiency measures	As a member of The Fashion Pact, we collaborate with peers to support our European suppliers to transform energy use within their facilities through the European Accelerator Programme. In FY 2025/26, through this programme, we engaged selected suppliers to identify opportunities for energy efficiency improvements and decarbonisation.	Short/medium term

Summary of response to scenario analysis

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

We have also considered the impact of climate change in the preparation of our Financial Statements, which can be found on page 197. As scientific understanding of climate change, availability of data and modelling methodologies continue to evolve, we will further develop and update our scenario analysis to support our assessment of the resilience of our business strategy to climate-related risks and ensure relevant mitigating strategies are in place.

Details on targets and metrics aligned to the identified climate-related risks can be found within the Targets sections and Metrics sections on pages 55 to 75, as indicated by the risk type icons.

Policies

Our Global Environmental Policy establishes Burberry's commitment to improving our environmental performance and to preventing or minimising any potential negative impacts on the environment along Burberry's value chain.

The Global Environmental Policy defines Burberry's target to reach net zero by 2050, requiring the reduction of GHG emissions across our value chain (Scope 1, 2 and 3 emissions) in line with our science-based emissions reduction targets. The policy includes our commitment to procure or generate 100% of our electricity from renewable sources, where feasible, and to improve the efficiency of energy consumption at Burberry's own sites.

The policy applies to all Burberry operations and compliance is mandatory for all Business Associates. Business Associates include any individual, entity, business or company associated with Burberry, including supply chain partners who carry out any processing or provide any goods directly or indirectly supplied to Burberry. Burberry engages key stakeholders, including industry partners, government bodies and NGOs, in setting and implementing the policy effectively. Regular training and communication are key aspects of our environmental programmes.

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

Burberry's Sustainability Committee, chaired by the CEO, oversees the implementation of the Group Environmental Policy.

Targets

We have refined our climate targets to reflect a greater understanding of GHG emissions across our value chain, investments in 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 goals. Based on these insights, we have extended our overall net zero target from FY 2039/40 to FY 2049/50 and segregated our Scope 3 targets between FLAG (Forests, Land and Agriculture) and non-FLAG emissions¹.

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.

Our targets remain aligned to a 1.5°C pathway and will be submitted to the SBTi for validation against the current Corporate Net-Zero Standard (V1.3).

Our methodology for measuring progress towards our emissions targets is aligned with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. Please see Revisions to our GHG accounting on page 57 for further details on how we have evolved our GHG accounting methodology in FY 2025/26 to ensure that our reported data is as accurate, transparent and actionable as possible. Further details on our GHG accounting methodology can be found in our Sustainability Basis of Reporting FY 2025/26 on Burberryplc.com.

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

Net zero



Reach net zero GHG emissions across our value chain by FY 2049/50.

FY 2025/26 performance

In FY 2025/26, we continued to make meaningful progress towards reaching net zero, with sustained reductions across Scope 1, 2 and 3 GHG emissions. Our approach to achieving net zero is to first work towards the level of emissions reductions required by our Scope 1, 2 and 3 reduction targets (see page 56), 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.

1. FLAG 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.

Scope 1 and 2



Reduce absolute Scope 1 and 2 GHG emissions by 95% by FY 2026/27 from a FY 2016/17 base year, and maintain this from FY 2026/27 through FY 2049/50.

FY 2025/26 performance

In FY 2025/26, we achieved a 94.3% reduction from our FY 2016/17 baseline (compared with a 93.7% reduction achieved in FY 2024/25). Our continued progress towards our target reflects a year-on-year decrease in Scope 1 and 2 emissions of 7%.

This was achieved through reductions in gas consumption across several Burberry sites attributable to warmer winter temperatures and a roof upgrade at our UK hub site, as well as energy efficiency and education measures. Further details on actions taken in FY 2025/26 are provided in the following sections.

Scope 3



Reduce absolute Scope 3 non-FLAG GHG emissions by 46.2% by FY 2029/30 and by 90% by FY 2049/50 from a FY 2018/19 base year.

Reduce absolute Scope 3 FLAG GHG emissions by 30.3% by FY 2029/30 and by 72% by FY 2049/50 from a FY 2018/19 base year.

FY 2025/26 performance

In FY 2025/26, we achieved a 3.9% reduction in our overall Scope 3 emissions compared to FY 2024/25. This was a 22.1% reduction since FY 2018/19, the base year of our Scope 3 targets.

Our non-FLAG Scope 3 emissions decreased 6.5% year-on-year, and 20.2% compared with FY 2018/19.

While our FLAG Scope 3 emissions increased 9.2% year-on-year, this represents a reduction of 29.5% since FY 2018/19. Further information regarding our updated GHG accounting methodology can be found on page 57.

While our Scope 3 performance continues to be partly determined by the volume and mix of products we produce, we have reduced the intensity of production- and shipping-related emissions by more than 15% per unit of finished goods since FY 2018/19. Our ongoing improvement was supported in FY 2025/26 by the actions detailed in the following section.

Actions

In FY 2025/26, we continued to take action to manage climate-related risks and opportunities through the development of our Climate Transition Plan; action on energy decarbonisation and business travel; and through the actions detailed in our Chemical and Pollution Management (pages 60 to 62), Water Conservation (pages 62 to 65), Biodiversity and Ecosystems (pages 65 to 70) and Resource Use and Circular Economy (pages 71 to 75) sections.

Interventions which made significant contributions to progress against our climate targets during FY 2025/26 included energy- and business-travel-related actions (see page 57); continued progress against our responsible sourcing target (see pages 68 to 70); and efforts to prevent and minimise manufacturing waste (see page 74 to 75).

1. Climate Transition Plan development



We published our first Climate Transition Plan, which is available on Burberrypc.com, outlining Burberry's objectives, strategy and governance regarding:

- reducing 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; and
- working with partners to support an industry-wide transition to net zero in line with the goals of the Paris Agreement.

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 2050.

The Climate Transition Plan was informed by both internal and external Burberry stakeholders and was approved by the Board.

2. Business operations



Energy efficiency

In FY 2025/26, we maintained our efforts to reduce emissions through operational energy efficiencies and now have targets in place for our distribution hubs, fulfilment centres and internal manufacturing sites. In FY 2025/26, our total energy consumption decreased by 43% from a FY 2016/17 baseline and by 5% from FY 2024/25.

Energy efficiency measures across our own sites were key to achieving this reduction. At our distribution hub in Blyth, the roof was replaced and solar panels installed, leading to improvements in energy efficiency, reduction in heat loss and new capabilities for on-site renewable energy generation. In addition, energy audits and energy-saving measures, including lighting upgrades, were undertaken at our distribution hub and internal manufacturing sites in Italy.

Across our operations, 153 sites have been LEED or BREEAM certified since FY 2018/19. In FY 2025/26, we obtained the LEED Gold certification in 18 additional stores and the BREEAM Excellent certification at our London headquarters, Horseferry House. These certifications set the standard for energy efficiency globally. They require the implementation of energy-saving measures, which resulted in a reduction in energy consumption of up to 8% when compared to previous conditions. By obtaining these certifications we are ensuring our buildings are operating to a high energy efficiency standard as we continue to implement energy-saving practices across our new sites and renovations.

Renewable electricity

In FY 2025/26, we maintained the progress made in previous financial years. All of the electricity we consumed was matched with an equivalent amount sourced from renewable tariffs and Energy Attribute Certificates or generated through on-site renewables, including solar panels installed at select sites in the UK, Italy and the USA.

3. Supply chain



Business travel GHG emissions

To minimise future GHG emissions from business travel, we strengthened our Global Travel Policy in FY 2025/26. Measures included adjusting flight duration requirements to qualify for business class travel; encouraging colleagues to stay in hotels with recognised sustainability certifications; and requiring colleagues to prioritise train travel over short-haul flights in regions where it is feasible to do so. The implementation of this policy has been supported by increased sustainability-related communications for colleagues at the point of booking, including visibility of the GHG emissions impact of their travel.

Supply chain decarbonisation

Collaboration with key Tier 1 and 2 suppliers is essential to reducing Scope 3 GHG emissions. In FY 2025/26, we strengthened our work with key supply chain partners to enhance energy efficiency, accelerate the adoption of renewable energy and reduce reliance on fossil fuels within our supply chain. This included the development and regular review of supply chain partner-specific energy and decarbonisation roadmaps in line with our climate ambition.

In addition, in FY 2025/26, we delivered four in-person sessions for 78 supply chain partners in Italy, Vietnam and South Korea as well as periodic virtual events. The purpose of these sessions was to foster dialogue with our supply chain partners, address shared decarbonisation challenges and promote the exchange of knowledge and best practice. Sessions focused on identifying key decarbonisation levers and addressing barriers to renewable electricity access.

To optimise decarbonisation within our supply chain, we take collective action with industry peers, including through our work as a member of The Fashion Pact's European Accelerator Programme. In FY 2025/26, for instance, participating brands launched a joint environmental data questionnaire to improve the quality of data collected and ease the reporting burden on suppliers. The questionnaire was promoted across industry forums and made publicly available to encourage its adoption beyond the programme. The European Accelerator Programme also aims to facilitate the implementation of decarbonisation initiatives and renewable energy solutions, with a particular focus on the Italian supply chain. In FY 2025/26, as part of the programme, we engaged selected suppliers in site-specific, technology-assisted studies to identify energy efficiency and decarbonisation opportunities.

Additionally, Burberry joined the Carbon Target Setting programme, led by Apparel Impact Institute, in collaboration with other luxury and fashion brands. The initiative is another example of collective action towards the decarbonisation of shared Italian supply chains, supporting partners in their transition to lower-carbon manufacturing, developing aligned emissions reduction targets and identifying the interventions needed to achieve them. This approach also supports alignment and consistency across brand expectations and reduces duplicative efforts for suppliers.

Overall, our joint action activities through the European Accelerator and the Carbon Target Setting programmes have involved a total of 39 partners, 22 of which are in our own supply chain. Both cohorts are expected to conclude their activities in early FY 2026/27. The progress made to date in advancing these collaborative efforts represents an important step; through these collective actions, we are supporting partners to understand, unlock and scale decarbonisation opportunities across the supply chain.

Metrics

Revisions to our GHG accounting

We measure and publicly report 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 (LCA) studies.

While re-baselining resulted in adjustments to our previously reported figures, the process has improved consistency and comparability with 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 (as outlined on page 55).

Further details on our methodology and restatements, including the original reported values, can be found in our Sustainability Basis of Reporting FY 2025/26 available on [Burberryplc.com](https://www.burberryplc.com).

Total Scope 1, 2 and 3 GHG emissions



	FY 2025/26	FY 2024/25 Restated
Total Scope 1, 2 and 3 emissions (market-based) (tonnes CO ₂ e)	276,602	287,926 R
Scope 1, 2 and 3 emissions intensity (tonnes CO ₂ e per £1m sales revenue)	114.3	117.6 R

R – Restated figure. Our FY 2024/25 GHG inventories have been restated to reflect new industry LCA studies and emissions factors, methodological enhancements, improved data availability, and to account for the latest GHG Protocol standards and guidance. Further details on our methodology and restatements, including the original reported values, can be found in our Sustainability Basis of Reporting FY 2025/26 (available on Burberrypc.com).

Scope 1 and 2

	FY 2025/26		FY 2024/25		FY 2023/24	
	Global	UK and offshore only	Global	UK and offshore only	Global	UK and offshore only
Total energy including: purchase of electricity, the operation of any facility, combustion of fuel for facilities and vehicles/kWh	48,876,660 ^A	12,631,884	51,647,269	13,686,450	54,735,836	15,402,415
Scope 1 – Combustion of fuel and operation of facilities (tonnes CO ₂ e)	1,378 ^A	728	1,470	845	1,545	1,056
Scope 1 – Combustion of fuel from owned or leased transport (tonnes CO ₂ e)	53 ^A	2	68	2	122	3
Scope 2 – Electricity purchased and used for operations (location based) (tonnes CO ₂ e)	15,129 ^A	1,517	16,347	1,782	17,308	1,998
Scope 1 and 2 – Total emissions (location based) (tonnes CO ₂ e)	16,560 ^A	2,247	17,885	2,629	18,975	3,057
Scope 2 – Electricity purchased and used for operations (market based) (tonnes CO ₂ e)	0 ^A	0	0	0	0	0
Scope 1 and 2 – Total emissions (market based) (tonnes CO ₂ e) ¹	1,430 ^A	730	1,538	847	1,667	1,059
Total emissions offset by Verified Emissions Reduction Certificates (tonnes CO ₂ e)	0	0	0	0	1,667	1,059
Scope 1 and 2 intensity (location-based) (tonnes CO ₂ e per £1m sales revenue)	6.84	N/A	7.27	N/A	6.4	N/A
% of energy and electricity consumption (kWh) sourced from renewable sources (%)	84% ^A	68%	84%	66%	84%	63%

Burberry applies an operational control approach to defining its organisational boundaries. Data is reported for sites where it is considered that Burberry has the ability to influence energy management. Data is not reported for sites where Burberry has a physical presence but does not influence the energy management for those sites, such as a concession within a department store. Overall, the emissions inventory reported equates to 98% of our net selling space square footage. Burberry uses the Greenhouse Gas Protocol (using a location- and market-based approach to reporting Scope 2 emissions) to estimate emissions and applies conversion factors from UK DESNZ (2025) and the International Energy Agency (IEA) (2025), according to geography. All material sources of emissions are reported. Refrigerant gases were deemed not material and are not reported. Market-based emissions globally and for the UK relating to purchased electricity within our operations (Scope 2) are stated as zero due to us procuring or generating an amount of renewable electricity equivalent to 100% of our annual consumption. GHG emissions data reported is based on the period from 1 April 2025 to 31 March 2026. For the avoidance of doubt, the Company’s financial accounting period is from 30 March 2025 to 28 March 2026. However, references to FY 2025/26 for the selected metrics included in the Sustainability section refer to the period 1 April 2025 to 31 March 2026. More information on our methodology can be found in our Sustainability Basis of Reporting FY 2025/26 on Burberrypc.com.

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

^A This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY’s Independent Limited Assurance Report and Burberry’s Sustainability Basis of Reporting FY 2025/26 on Burberrypc.com.

Energy – Own operations

	FY 2025/26	FY 2024/25	FY 2023/24
Total electricity (kWh)	41,134,457	43,369,097	45,977,503
Percentage of electricity from renewable sources ¹	100%	100%	100%
Total gas (kWh)	7,531,034	8,035,291	8,246,431
Total fuel from owned or leased transport (kWh)	211,169	242,882	369,636
Total energy ² (kWh)	48,876,660	51,647,269	54,735,836
Percentage of energy from renewable sources	84%	84%	84%
Energy efficiency (energy relative to net selling space) (kWh/sqft)	15.91	16.55	16.32
Energy by facility type			
Internal manufacturing	6,543,097	6,564,238	7,009,228
Distribution centres	4,693,598	5,628,024	5,214,419
Stores	31,747,476	33,387,491	34,309,998
Offices	5,681,320	5,824,635	7,832,555
Total energy (facilities only – excluding energy from vehicles)	48,665,491	51,404,388	54,366,200
Number of sites with LEED or BREEAM certification ³	153	134	105

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

Scope 3

	FY 2025/26	FY 2024/25 Restated	FY 2018/19 baseline Restated
Cat 1: Purchased goods and services (tonnes CO ₂ e)	209,245	206,709 R	251,004 R
Cat 2: Capital goods (tonnes CO ₂ e)	21,906	23,558 R	12,474 R
Cat 3: Fuel- and energy-related activities (not included in Scope 1 and 2) (tonnes CO ₂ e)	4,126	4,233	4,625
Cat 4: Upstream transportation and distribution (tonnes CO ₂ e)	29,286	41,628 R	65,546 R
Cat 5: Waste generated in operations (tonnes CO ₂ e)	104	1,192 R	5,137 R
Cat 6: Business travel (tonnes CO ₂ e)	5,958	4,566 R	8,733 R
Cat 7: Employee commuting (tonnes CO ₂ e)	2,960	2,542	4,784
Cat 9: Downstream transportation and distribution (tonnes CO ₂ e)	1,005	1,263 R	–
Cat 12: End-of-life treatment of sold products (tonnes CO ₂ e)	581	697 R	1,105 R
Scope 3 total (tonnes CO ₂ e)	275,172 ^A	286,387 R	353,407 R
Scope 3 total (non-FLAG) (tonnes CO ₂ e) ⁴	224,286	239,773	281,182
Scope 3 total (FLAG) (tonnes CO ₂ e) ⁴	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. Category 14 has been removed from reporting scope as emissions have been recategorised to align with GHG Protocol definitions.

4. Categories 1 and 2 are split between non-FLAG and FLAG emissions. All other categories are non-FLAG only.

^A This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2025/26 on Burberryplc.com.

R – Restated Figure. In FY 2025/26, we restated our Scope 3 baseline (FY 2018/19) and FY 2024/25 GHG inventories to reflect new industry LCA studies and emissions factors, methodological enhancements, improved data availability, and to account for the latest GHG Protocol standards and guidance. This has adjusted our performance against our previous aggregated (non-FLAG and FLAG) Scope 3 science-based target for FY 2024/25 from a 51.2% reduction (as reported in our Annual Report 2024/25) to a 19.0% reduction against our FY 2018/19 base year. Further details on our methodology and restatements, including the original reported values, can be found in our Sustainability Basis of Reporting FY 2025/26 available on Burberryplc.com.

Energy – Supply chain

	FY 2025/26		
	Global	EMEIA	Asia Pacific
Electricity consumption ¹ at direct Tier 1 supply chain partners (kWh)	12,784,240	4,389,085	8,395,155
Percentage of electricity consumption ¹ from renewable sources at direct Tier 1 supply chain partners (%)	44%	93%	18%

Note: data based on calendar year (1 January – 31 December). The scope of the metric includes primary data collected from direct Tier 1 supply chain partners only, representing 95% of products delivered. Internal manufacturing sites are excluded from this scope and are reported under 'Energy – Own Operations' data.

1. Covers purchased and self-generated and consumed electricity attributed to Burberry production.

CHEMICAL AND POLLUTION MANAGEMENT

Introduction

As a luxury fashion brand, we use chemicals in our textile manufacturing processes. This could potentially result in negative environmental impacts if, for example, improper management of chemicals resulted in the contamination of water and/or soil. In addition, if raw materials are incorrectly treated with harmful chemicals, customer safety could be compromised. We believe that promoting the responsible use of chemicals throughout our supply chain is essential to ensuring the safety of our people and the products we create, and for the protection of the environment. We are committed to eliminating the use of hazardous chemicals across our supply chain and supporting the fashion industry's transition towards zero discharge of hazardous chemicals.

This section outlines our approach to addressing potential pollution impacts arising from supply chain activities. It also addresses the actions we are taking to prevent and mitigate chemical-related risks, including robust governance, detailed monitoring and capacity building across our supply chain partners.

Approach

Our Chemical Management Programme ensures safer products, reduced exposure for supply chain workers and communities adjacent to our supply chain and cleaner water, air and soil in the environs of our production sites. We are committed to implementing, monitoring and continuously improving our Chemical Management Programme with the use of Zero Discharge of Hazardous Chemicals (ZDHC) Roadmap to Zero Guidelines, Tools and Platforms for Input, Process and Output focus areas, along with our Manufacturing Restricted Substance List (MRSL), which is aligned with ZDHC's MRSL, and our Product Restricted Substances List (PRSL). The Burberry Chemical Management Manual consolidates all our programme requirements.

Our approach is based on the three key pillars of the ZDHC Roadmap to Zero: Input, Process and Output.

- **Input** focuses on the use of MRSL-conformant chemical formulations. Supply chain adherence is monitored through ZDHC reporting tools
- **Process** relates to the strengthening of suppliers' chemical management systems and alignment with best practices. External verification is undertaken through the ZDHC Supplier to Zero (S2Z) programme (Level 2) and we track the percentage of products delivered by partners completing S2Z requirements each year (see Metrics section on page 62)

- **Output** addresses effluent quality, air emissions and product. The ZDHC Wastewater Guidelines (WWG) provide a framework to assess the presence of MRSL-related parameters in effluent, as well as more broadly conventional pollutants across supply chain facilities. Partners are required to conform to the guidelines, with wastewater sampling conducted by ZDHC-approved third-party laboratories. Results are reported annually on Burberryplc.com. Any non conformity requires a root cause analysis and corrective action plan, ensuring continuous improvements in effluent quality. ZDHC Air Emissions Guidelines also became available for supply chain implementation, which we communicated across our supply chain for adoption. Finally, on product, we undertake robust testing standards across all our products to monitor PRSL conformance.

We assess supply chain partners' chemical management performance against clearly defined requirements across all Input, Process and Output categories. Partners are expected to demonstrate continuous improvement to meet our highest standards and must develop and execute corrective action plans. This framework supports the business in making informed and responsible sourcing decisions.

Internally, we deliver ongoing training and awareness programmes to relevant employees to ensure effective implementation of our chemical management requirements.

Policies

Our Global Environmental Policy outlines our commitment to eliminate harmful chemicals and prevent environmental pollution across our supply chain. The chemical management requirements within our Global Environmental Policy are regularly reviewed to ensure latest guidelines are adopted by our Business Associates.

Our policy requires Business Associates to adhere to our MRSL, which is aligned with the ZDHC MRSL. Additionally, we are committed to the implementation of the ZDHC S2Z programme across our supply chain to ensure best practices in chemical management are adopted. We monitor conformance with our MRSL and track adoption of the ZDHC S2Z programme across our supply chain. Progress against these measures is disclosed in the Metrics section on page 62.

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

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

Targets

Eliminate hazardous chemicals

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

We define annual aggregated supply chain performance targets for the implementation of our Chemical Management Programme requirements, aligned with the three key pillars of the ZDHC Roadmap to Zero: Input, Process and Output (as outlined on page 60). These targets guide our progress towards eliminating the use of hazardous chemicals across our supply chain. Sub-targets are assigned to each business unit to strengthen accountability and support informed decision-making.

Targets are defined in terms of percentage of product units delivered by partners.

To achieve the aggregated supply chain performance target, specific partner-level targets are assigned, with progress reviewed monthly internally and, where appropriate, quarterly with supply chain partners. Performance across the three areas is disclosed within the Metrics section (on page 62).

To report chemical management performance in our supply chain, we rely on a dedicated ZDHC platform.

FY 2025/26 performance

In FY 2025/26, 93% of products were delivered by Tier 1 and Tier 2 supply chain partners who reported their chemical inventory conformance against the ZDHC MRSL. Additionally, we maintained our FY 2024/25 progress with 93% of our Tier 1 and Tier 2 supply chain partners holding S2Z certification. For a full detailed breakdown of our S2Z achievements in FY 2025/26, refer to the Metrics section on page 62.

The continued use of compliant chemicals and good chemical management practices across our supply chain resulted in a high level of conformity. In effluent, we achieved 99% conformance with the ZDHC WWG MRSL parameters, 97% with conventional parameters and 100% conformity with heavy metal requirements in the ZDHC WWG. These results represent 85% of our mapped wet processing partners across Tier 1 to Tier 3 who performed wastewater testing during FY 2025/26 in line with the ZDHC WWG, a 9% increase compared to the previous financial year.

Actions

1. Chemical Management Programme



Our Chemical Management Programme is applicable to all supply chain partners involved in the manufacture of our products. We continue to monitor implementation of the requirements outlined in our Global Environmental Policy through annual internal and external targets as outlined in the Targets section above.

In FY 2025/26, we strengthened our approach by expanding technical support sessions to increase MRSL conformance in our supply chain, where we worked closely with chemical formulators to trial safer and high-performing alternatives.

While we require our supply chain partners to assess their chemical management systems against the S2Z programme requirements, we also played an active role in shaping the next version of the ZDHC S2Z programme. During the year, we reviewed the draft version, provided early feedback to ZDHC and nominated key supply chain partners to participate in a self-assessment pilot in November 2025. In addition, we nominated several partners to join an on-site pilot scheduled for April to June 2026, supporting the continued evolution of S2Z as the leading, industry-aligned framework.

In December 2025, we published our annual wastewater testing trend analysis report on Burberryplc.com, outlining the results of effluent testing carried out by Burberry's supply chain partners throughout the calendar year.

2. Capacity building

Capacity building remains the cornerstone of our Chemical Management Programme. With the support of external stakeholders such as ZDHC, chemical formulators and solution providers, we continued to conduct knowledge-enhancing sessions for our supply chain partners to assist them in their chemical management journey. Following its launch in FY 2024/25, we continued to strengthen our supply chain collaborative learning community in FY 2025/26. During the period, we placed greater emphasis on enabling our Tier 1 and Tier 2 partners to lead the implementation of chemical management best practices within their upstream supply chains. Through targeted training modules and expanded peer-learning opportunities, our partners increasingly drive improvements independently and support their own suppliers in meeting our chemical management requirements.

3. Joint implementation

In FY 2025/26, we collaborated with external technical experts to deepen our understanding of wastewater testing results and their connection to suppliers' chemical inventories and manufacturing processes. This insight will support suppliers in identifying root causes more effectively and maintaining better effluent quality over time.

Additionally, we continued to engage with our luxury peers, third-party suppliers and external chemical experts to drive collective progress on the chemical management roadmap.

In addition to being a longstanding member of the ZDHC, we continue to play an active role in shaping industry guidelines, participating in the Brand Advisory Group and several co-creation taskforces. In 2025, our chemical management implementation was recognised as 'Champion' for the fifth consecutive year, which is the highest attainable level in ZDHC's Brands to Zero Leader programme.

Metrics

Chemical management of supply chain partners



	FY 2025/26		FY 2024/25		FY 2023/24	
	Tier 1	Tier 2	Tier 1	Tier 2	Tier 1	Tier 2
Percentage of products delivered by partners who reported MRSL conformance ¹	95%	91%	94%	89%	80%	74%
Average MRSL conformance (by count of chemicals) ^{1,2}	71%	74%	62%	73%	54%	69%
Percentage of products delivered by partners assessed against the ZDHC S2Z programme requirements ¹	93%	92%	96%	90%	89%	88%
Percentage of products delivered by suppliers rated Level 2 (previously called Progressive Level) by the ZDHC S2Z programme requirements ¹	83%	86%	86%	79%	68%	57%
Percentage of products delivered by supply chain partners who have disclosed their wastewater testing as per the ZDHC Wastewater Guidelines ³	90%	79%	–	76%	–	70%
Conformance to the ZDHC WWG MRSL parameters	–	99%	–	99%	–	99%

1. Includes supply chain partners Burberry sources from directly. Does not include or apply to subcontractors.
2. Conformance chemicals are those listed as such on ZDHC platforms. Other chemicals may not be registered and conformance information is not readily available. Conformity applies to the entire facility's chemical inventory and is not specific to Burberry production.
3. In FY 2025/26, we updated our methodology to include direct and indirect Tier 1 supply chain partners. The scope of the metric now applies to direct and indirect Tier 1 and 2.

WATER CONSERVATION

Introduction

We use raw materials, including cotton, wool and leather, to create luxury fashion goods. The processes used to manufacture these materials often rely heavily on water. If not responsibly managed, water use across our supply chain could contribute to water stress and the depletion of freshwater resources, which could, in turn, have negative impacts on the environment.

This section sets out our approach to water conservation, which focuses on increasing resource efficiency, assessing and mitigating water risks, reducing our water impacts and increasing water resilience across our manufacturing operations.

Approach

Our Water Conservation Programme seeks to minimise potential negative impacts across our supply chain by working closely with supply chain partners to strengthen levels of water resilience.

Our approach to managing water-related impacts and risks begins with mapping our Tier 1 to Tier 3 supply chain to identify facilities and their water-related risks, locating areas of high water stress. These are defined as areas with high or very high risk to 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 acts as a roadmap to improve water management by promoting a better understanding of water demand, driving water efficiency and recycling, and encouraging greater disclosure.

This assessment helps us identify potential hotspots, which are sites where water management levels are disproportionate to their levels of water intensity and risk. All partners undergoing a water assessment are required to develop continuous improvement plans to ensure their resilience level is maintained or improved in subsequent assessments.

The frequency of reassessments is determined by the partner's resilience rating: facilities rated Green/Excellent are reassessed every two years, Amber facilities every 18 months, while Red-rated or Hotspot sites are prioritised and reassessed annually. Continuous improvement is essential to address evolving water risks and changes in water use, particularly for partners classified as Red or Hotspot. To support this process, training and capacity building sessions are delivered several times each year (both in person and online) to raise awareness of our programme and strengthen supply chain engagement on water risks.

We set targets to source more sustainable and certified raw materials, including organic and recycled, which can significantly reduce water impacts at the raw material extraction phase. More information about our raw material targets can be found on page 68.

Policies

As part of our Global Environmental Policy, we commit to assessing the water risk in our supply chain and regularly monitor our water withdrawal and consumption, including sources, destination and wastewater volumes. We also commit to identifying water withdrawn from areas of water stress and reducing water withdrawal across our own operations. As detailed in our policy, we engage our partners through our Water Conservation Programme to raise awareness about water conservation and support responsible water management practices across our supply chain. Our supply chain partners are required to ensure safe water, sanitation and hygiene at their facilities at all times. In line with our commitments, they must also assess the water risk of their manufacturing facilities and report and track their water withdrawal and discharge. More details of our Global Environmental Policy can be found on page 55.

Targets

Addressing hotspots in our supply chain

We aim to have zero hotspots in our supply chain by 2030¹.

To achieve this target, we work closely with our direct supply chain partners to conduct Water Resilience Assessments that focus on three key pillars: basin status and water risk (using the WWF Water Risk Filter); sites' water intensity; and how partners' water management practices compare to best-in-class standards. Together, these three variables help us identify potential hotspots. These assessments are designed to be cascaded through the supply chain. This means upstream suppliers' results are weighted into our direct supply chain partners' own assessment and progress is capped if hotspots are present within their own key supply chain. This cascading approach ensures we focus efforts where we have the greatest risk and impact, while also spreading water resilience principles upstream and surfacing any relevant risks.

FY 2025/26 performance

In FY 2025/26, two facilities were identified as hotspots among our direct partners, with results remaining consistent with the previous year. This compares to five facilities in our baseline year, FY 2020/21. We monitor these partners quarterly by reviewing the status of their action plans to ensure improvements are made to change their hotspot status.

Actions

1. Water withdrawal accounting

During the financial year, we refined our accounting methodology for water withdrawals across our wet processing manufacturing facilities, including subcontracted partners and upstream supply chain partners from Tier 1 to Tier 3. Quantifying the volume of water withdrawn in the manufacturing of our products enables us to better understand our impacts and dependencies and to more effectively manage water-related risks. Our approach focuses on facilities where there is a material use of water involved in the manufacturing processes. These include facilities carrying out wet operations, such as dyeing, finishing and tanning of leather.

The information received from our water accounting enables us to identify facilities operating in higher water stress areas and supports us in making informed decisions relating to our Water Conservation Programme and targets.

2. Capacity building within supply chain

In FY 2025/26, 86% of products were delivered by direct Tier 1 and 2 supply chain partners assessed against our Water Conservation Framework. The percentage of products delivered by partners with low levels of water resilience (Red/Hotspot) decreased from 3.5% in FY 2024/25 to 2.3%, while the percentage of products delivered by partners with good levels of water resilience (Green/Excellent) increased from 59.5% to 69.2%. For the partners identified as Red/Hotspot, action plans were requested and monitored on a quarterly basis to review the status of the actions and ensure progress.

We have improved our resilience profile annually through partner engagement, capacity building and direct support. For example, in FY 2025/26, we ran several in-person and online sessions which covered all of our Sustainable Manufacturing programmes (Water Conservation, Chemical Management, Energy and Waste). These capacity building events aim to enhance our supply chain partners' knowledge by providing external stakeholder input and sharing best practice. We also delivered a Sponsorship Programme, which aims to bring together supply chain partners that are more advanced in their sustainability agenda to provide support and encouragement to partners at earlier stages in their journey. Sponsored partners work towards their set objectives (related to water conservation, chemical management or energy) and are helped by their Sponsor to achieve their targets.

3. Corporate Water Leaders

We are members of the Corporate Water Leaders (CWL), a global network of working groups dedicated to addressing industrial water challenges and advancing water stewardship. The initiative is led by Global Water Intelligence (GWI). We participate in the Textile and Leather Taskforce, which brings major brands together to strengthen operational resilience and promote more environmentally sustainable practices across the industry's global supply chain. Together with other brands in the Taskforce, we developed a Common Water Framework that outlines the key guiding principles for the fashion industry on water, while leveraging existing tools and initiatives. It provides clear direction and a practical roadmap for the industry to support measurable progress against water-related goals through supply chain engagement and targeted actions. By adopting a shared approach among brands, these actions become scalable and more impactful. The framework aims to align and streamline the growing number of requirements from brands, thereby reducing the reporting burden on the supply chain. It is structured around three key pillars of risk and impact, governance and action and is aligned with our Water Conservation Framework, enabling us to address industrial challenges through collective action.

In FY 2025/26, the framework was piloted with selected suppliers and subsequently launched for public consultation. As part of this consultation process, an open stakeholder event was held to present the framework and encourage participation in providing feedback from industry stakeholders.

1. Scope of the target applies to direct supply chain partners covered by our water resilience assessments, representing at least the top 80% of our supply chain by volume of product delivered.

4. Extreme weather events mapping



Every year we conduct a supplier survey to map the occurrence and impact of extreme weather events in our value chain. Our aim is to raise awareness among our stakeholders and support strategies which help to prevent and mitigate water-related risks. In addition, this survey helps us understand the impact of these events across our Tier 1 to Tier 3 supply chain. In 2025, 109 supply chain partners responded to our survey. Supply chain partners were asked whether they experienced any extreme weather events during the previous calendar year, followed by additional questions to capture the type of event, the number of sites affected and the nature of the impacts, including property damage, operational disruption, or effects on goods and inventory, as well as impacts on people and the environment. In 2025, 10% of respondents reported having experienced at least one extreme weather event, a percentage in line with results from the previous year's survey. In 2023, 22% of respondents had reported extreme weather events.

Supply chain partners impacted by extreme weather events

	2025	2024	2023
Percentage of supply chain partners impacted by extreme weather events	10%	10%	22%

Note: data based on calendar year (1 January to 31 December).

Among those impacted, heavy storms and typhoons remain the most frequently reported events across our supply chain, identified by 50% of respondents over the past two calendar years. Flooding ranks as the second most common event. Water scarcity was reported by 8% of impacted partners in 2023, while no such incidents were recorded in 2025. In 2025, partners selecting 'other' identified heavy snowfall and wildfires as additional climate-related events.

Breakdown of extreme weather events

	2025	2024	2023
Storm/typhoon	50%	50%	38%
Flooding	25%	20%	29%
Scarcity	0%	0%	8%
Heatwave	8%	10%	8%
Other	17%	20%	17%

Note: data covers percentage of respondents impacted by weather event. Data based on calendar year (1 January to 31 December).

5. Raw material sourcing and innovation



Given the impacts and dependencies our business activities have on water related to raw material farming and production, we are also taking steps to mitigate our impacts and risks at the raw material sourcing phase of our value chain. We are doing this by evolving our responsible sourcing criteria, ensuring they align to our ambition and industry best practice. These actions reflect our approach to protecting biodiversity and ecosystems. We embed best practice environmental management in Burberry's certified or responsibly sourced raw material targets, including initiatives related to managing water impacts. For more information about our raw material targets see page 68.

Global Organic Textile Standard (GOTS) and Organic Cotton Standard (OCS) certifications have been included in our Sustainable Raw Materials Portfolio, for instance, as less water is required to cultivate organic cotton than conventional virgin cotton. We recognise opportunities lie in driving material innovation. By developing new materials and technologies to deliver high-quality fabrics we can at once reduce our environmental impact and deliver products with sustainability benefits. For example, in FY 2025/26, we continued to explore waterless dyeing technologies as well as safer chemistry, which allow us to maintain performance and aesthetics while reducing our water impact. These techniques represent an opportunity to help mitigate the risk of water stress by replacing conventional dyeing technology.

Metrics

Water usage of supply chain partners



	FY 2025/26			FY 2024/25		
	Direct Tier 1	Direct Tier 2	Indirect and upstream	Direct Tier 1	Direct Tier 2	Indirect and upstream
Total water withdrawal (m ³)	42,543	278,174	474,951	29,524	240,502	464,966
Total water discharge (m ³)	38,316	252,416	389,165	28,215	218,617	418,671
Total water recycled and reused (m ³)	488	5,647	2,151	508	7,870	1,264
Total water consumption (m ³)	4,227	25,758	85,786	1,308	21,886	46,294
Total water withdrawal in water-stressed areas (m ³)	0	5,393	32,361	3	5,163	9,788

Note: direct Tier 1 and direct Tier 2 partners include supply chain partners Burberry directly sources from that have wet processing facilities where the main material procured is textile or leather. Indirect and upstream covers partners of Tier 1 and Tier 2 (i.e. subcontractors) and Tier 3.

Water assessment of direct¹ supply chain partners



	FY 2025/26		FY 2024/25		FY 2023/24	
	Tier 1	Tier 2	Tier 1	Tier 2	Tier 1	Tier 2
Supply chain coverage	89%	83%	88%	86%	86%	80%
Green/Excellent	82%	56.5%	64%	55%	45%	51%
Amber	7%	22%	23%	25%	40%	23%
Red/Hotspot	0%	4.5%	1%	6%	1%	7%

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

1. Includes Tier 1 and Tier 2 supply chain partners Burberry sources from directly. Does not include or apply to subcontractors.

BIODIVERSITY AND ECOSYSTEMS

Introduction

Our business activities, which include the sourcing of raw materials and the use of paper-based packaging, interact with nature in ways that are associated with the key biodiversity pressures identified by the Science Based Targets Network (SBTN). These pressures include land, freshwater and marine use change, overexploitation of natural resources, pollution and climate change. Given the impacts and dependencies our business activities have on biodiversity and ecosystems, it is essential that we act to identify, assess and mitigate biodiversity loss and support its recovery.

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

This section outlines how we assess, manage and mitigate nature-related impacts across our operations and broader value chain. During FY 2025/26, we strengthened our disclosure approach by becoming adopters of the Taskforce on Nature-related Financial Disclosures (TNFD), reinforcing our commitment to transparent reporting and continuous improvement in managing nature-related risks and opportunities.

TNFD index

Below is a TNFD index outlining where we have reported on key disclosures.

Pillar	Ref	TNFD recommended disclosure	Disclosure location within Annual Report 2025/26
Governance	A	Describe the Board's oversight of nature-related dependencies, impacts, risks and opportunities	Governance and management section, page 43
	B	Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities	
Strategy	A	Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term	Climate Change section, page 56 Biodiversity and Ecosystems section, page 67
	B	Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organisation's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place	
	D	Disclose the locations of assets and/or activities in the organisation's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations	
Risk and impact management	A(i)	Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations	Chemical and Pollution Management section, page 60 Water Conservation section, page 62
	A(ii)	Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chains	
	B	Describe the organisation's processes for managing nature-related dependencies, impacts, risks and opportunities	Biodiversity and Ecosystems section pages 67 to 68
	C	Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organisation's overall risk management processes	
Metrics and targets	A	Disclose the metrics used by the organisation to assess and manage material nature-related dependencies, impacts, risks and opportunities in line with its strategy and risk management processes	Chemical and Pollution management section, pages 61 to 62 Water Conservation section, pages 63 to 65
	B	Disclose the metrics used to assess and manage dependencies and impacts on nature	
	C	Describe the targets and goals used by the organisation to manage material nature-related dependencies, impacts, risks and opportunities and performance against these	Biodiversity and Ecosystems section, pages 68 to 70

Approach

In FY 2025/26, we identified biodiversity as being material to our business. This assessment was based on the impacts our activities could have on the extent and condition of ecosystems and as a potential driver of biodiversity loss. As a result, we have continued to expand our assessment of these impacts across our value chain, guided by the TNFD LEAP approach (Locate, Evaluate, Assess, Prepare).

Our assessment began with a materiality screening to identify the underlying nature-related pressure categories material to our economic activities, enabling us to then carry out more detailed impact- and activity-specific assessments, as detailed below.

Materiality screening

Our materiality screening was first conducted in FY 2024/25 using the Materiality Screening Tool developed by the SBTN, which considered each stage of our business model (see page 12). Updated in FY 2025/26, our screening focuses on 12 pressure categories, grouped by five drivers of nature loss defined by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) in the 2019 Global Assessment. These drivers consist of: land, water and sea use change; resource exploitation; climate change; pollution; and invasive alien species.

Our screening identified material pressures on ecosystem and water use, as well as pollutants and GHG emissions. Soil pollutants linked to raw material sourcing, particularly in relation to the production of natural fibres and leather, were also identified, as were material pressures linked to the production of finished products. Risks associated with such pressures, including biodiversity loss and land use change (for example, deforestation), have the potential to disrupt material and product supply, reduce the quality of materials, increase input costs and impact operational continuity. These pressures may also give rise to heightened regulatory scrutiny and reputational risk.

The results of our materiality screening have led us to undertake further location-specific risk assessments for biodiversity loss and land use change, complementing our approach to identifying and managing impacts and risks related to water use (detailed on pages 62 to 65), GHG emissions (detailed on pages 48 to 60), and pollution (detailed on pages 60 to 62).

Location-specific biodiversity risk assessment

Following the results of our materiality screening, in FY 2025/26, we advanced our location-based assessment of biodiversity risks across our operations and key supply chain partner sites. As the most significant pressures identified in our materiality screening occur in our upstream value chain, we extended our assessment to Tier 1 supply chain partners, which represent approximately 80% of our finished goods production.

Consistent with the TNFD LEAP approach, we conducted a geographic screening of approximately 500 direct operational sites and around 100 strategic supply chain partners' sites globally. Using the WWF Biodiversity Risk Filter, we assessed each site's proximity to and potential interaction with areas of high biodiversity importance and ecosystem integrity. This included Protected and Conserved Areas, Key Biodiversity Areas (KBAs) and other internationally recognised important biodiversity areas.

The analysis indicates that approximately 30% of assessed sites are located within or in close proximity to areas classified as having high or very high biodiversity sensitivity. These findings provide an evidence-based foundation for prioritising locations for further analysis and management.

To support progress towards our deforestation targets, in FY 2025/26, we further developed our approach to supply chain mapping, risk assessments, monitoring and verification for primary deforestation-linked commodities¹. This approach includes direct engagement with suppliers to verify the deforestation-free status of primary deforestation-linked commodities.

Summary of response to risk assessments

In response to our materiality screening and risk assessments, we consider the management of nature-related pressures across our sourcing and production activities, following the SBTN Nature Action Framework (AR3T). The framework outlines measures that:

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

In particular, to reduce negative impacts on biodiversity, we ensure environmental considerations are factored into the decisions we take with respect to the design, sourcing and manufacture of our products. For example, we set a target for all key raw materials in our products to be certified or responsibly sourced by FY 2029/30, which is driven by our Sustainable Raw Materials Portfolio (available on Burberrypc.com). This portfolio sets out the accepted certification and responsible sourcing criteria across our raw materials. It is regularly reviewed to ensure the criteria align to our ambition and industry best practice. In addition, biodiversity impacts are reviewed as part of the implementation of our sourcing controls process, which embeds environmental and social considerations into our sourcing decisions to inform our Product strategy. Furthermore, as part of this process, nature-related criteria are integrated into supply chain partner onboarding and contractual requirements. This process allows us to identify, mitigate and manage nature-related risk in our upstream value chain and is designed to uphold high standards of environmental stewardship, ethical trading and product integrity.

Our Water Conservation (pages 62 to 65), Climate Change (pages 48 to 60) and Chemical and Pollution Management (pages 60 to 62) sections provide further details regarding our response to our water-, climate- and pollution-related risk assessments. The following pages provide details on our policies, targets and actions related specifically to our management of the impacts of our activities on biodiversity loss and land use change.

Policies

Our Global Environmental Policy establishes our aim to protect nature across our value chain. This commits us to assessing and reporting our biodiversity impacts, dependencies, risks and opportunities in line with best practice, including guidance from the TNFD. We also commit to ensuring that all our marketing campaigns and activities follow our Sustainability Principles for Marketing and Production, which include strict criteria on the management of biodiversity risks and nature conservation.

1. Primary deforestation-linked commodities are defined as Burberry material commodities that are either directly derived from, or are derivatives of, commodities contributing most significantly to deforestation globally. Such commodities include bovine leather, viscose, wood and paper.

Through our Global Environmental Policy, our Business Associates are required to comply with applicable nature protection legislation and to ensure that materials used in our products, packaging or goods not for resale have not directly or indirectly caused or contributed to deforestation or forest degradation. More details of our Global Environmental Policy can be found on page 55.

Our work on raw material sourcing is guided by our Responsible Raw Materials Sourcing Policy. This policy (available on Burberrypc.com) outlines our requirements for Business Associates and colleagues, as well as our commitment to ensuring that our materials are sourced in a responsible way that respects human rights and minimises negative environmental impacts. For example, we do not permit the use of any material listed as endangered on the International Union for Conservation of Nature and Natural Resources (IUCN) Red List of threatened species or considered endangered within a national border by an individual nation state. In addition, all animal and plant materials used by Burberry must be sourced in compliance with CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora). The policy also specifies our requirements with respect to packaging, animal welfare and testing.

Targets

Supporting zero deforestation

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

We continued to take action in FY 2025/26 to enhance our management of our deforestation-related risks (see Approach section on page 67). As FY 2025/26 was the final year of the above deforestation commitment, we have established a new target for FY 2026/27 onwards to achieve no deforestation across our primary deforestation-linked commodities (bovine leather, viscose, wool and paper) by FY 2029/30. This target is intended to enhance our alignment with the requirements of the Accountability Framework initiative (AFI) and to ensure greater robustness in the scope, definitions and assessment methodology of Burberry's deforestation risk management.

FY 2025/26 performance

Progress towards our commitment to support the sustainable management of natural forests and zero deforestation is measured by the enabling targets and metrics in place which support implementation. These include our performance on certified or responsibly sourced viscose (see the Metrics section on page 70) and the percentage of Forest Stewardship Council (FSC®)-certified paper-based packaging we source (see Metrics section on page 73).

Starting from FY 2026/27, to assess progress against our new target we will report annually the percentage of primary deforestation-linked commodities assessed as meeting our deforestation-free requirements.

Raw materials sourcing



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

FY 2025/26 performance

In FY 2025/26, 86%^A of key raw materials in our products were certified or responsibly sourced (as defined in our Sustainable Raw Materials Portfolio). Six key raw materials (cotton; synthetics, including nylon, polyester, polyurethane (PU) and thermoplastic polyurethane (TPU); viscose; wool; leather; and feather and down) are included in the scope of our target. These represent over 90% of the total volume (in weight) of materials within our products.

More details of our target calculation methodology, including exclusions, can be found in our Sustainability Basis of Reporting FY 2025/26 available on Burberrypc.com.

Traceability of raw materials



Continue to strengthen traceability approach of Burberry's raw materials.

Traceability remains a key enabler for the delivery of our environmental and social programmes. For Burberry, traceability underpins our approach to responsible raw material sourcing, providing the transparency needed to verify environmental and social standards across our supply chain. We set ourselves a target in FY 2022/23 for 100% of key raw materials to be traceable by 2030. Since then, we have been working with a third-party traceability tool to gain the transparency needed to identify, assess and manage environmental and social risks within our supply chain. We have evolved our approach to traceability as our understanding of our supply chain has deepened, and recognise the need to cover a broader range of raw materials to strengthen our supply chain transparency.

In response to an evolving regulatory landscape, we are moving from a time-bound target to a more flexible, comprehensive commitment to continue to strengthen our traceability approach of Burberry's raw materials. We believe this will help us gain greater visibility of our supply chain and enable regulatory readiness. This change in target reflects our repositioned Traceability Programme which is now aligned to a risk-based approach and our business strategy.

FY 2025/26 performance

With the realignment of our traceability commitment, we have undertaken supply chain mapping. To date, in line with our certified and responsibly sourced raw materials programme, we have mapped 91% of our key² raw materials to Tier 2 (country of raw material manufacturing). For strategically important raw materials, progress has extended upstream with 66% of cotton and 58% of bovine leather mapped to Tier 4 (country of raw material production, for example, country of farming).

1. Scope of the target applies to all main materials and down filling, where more than 50% of the composition within the specific material is either cotton; synthetics, including nylon, polyester, PU and TPU; viscose; wool; leather; and feather and down. For further information on our updated calculation methodology, see Metrics section on page 70.

2. We rely on transaction certificates collected to support our target of 100% Responsible Down Standard certification to trace down and feather across our supply chain.

^A This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2025/26 on Burberrypc.com.

Actions

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

1. Avoid and reduce



We continue to take steps to avoid and reduce our impacts on nature associated with our raw material sourcing.

To support the identification of our nature-related impacts, in FY 2025/26, we continued to expand our use of a third-party traceability platform with supply chain partners to standardise data collection across our supply chain and enable enhanced visibility of our sourcing locations. Through our traceability programme, we are developing and delivering a series of holistic actions needed to strengthen our identification and management of risks and opportunities associated with our raw material sourcing.

Collaborating to manage our nature-related impacts, our Corporate Responsibility and Supply Chain teams implement sourcing controls in our raw material procurement processes to validate the country of origin at each stage of production. These controls ensure we have robust coverage of our supply chains to manage and mitigate environmental and social risks and impacts associated with our sourcing. This process aligns with our certified and responsibly sourced raw materials programme, which independently verifies country of origin through certification. The insights obtained from our Traceability Programme are embedded into broader risk management and responsible sourcing activities to inform decision-making activities within the business.

During the year, we also continued to evolve our responsible sourcing criteria to ensure they align with our ambitions and industry best practice (see our Sustainable Raw Materials Portfolio on Burberrypc.com for details). Reflecting the benefits of regenerative farming practices on climate, soil health, biodiversity, animal welfare, social equity and farmer livelihoods, this year we expanded our Sustainable Raw Materials Portfolio to encompass regenerative standards including Regenagri, Nativa Regen and ZQ+. We also delivered training to colleagues working closely with these fibres, including our Product Development, Sourcing, Design, Raw Materials and Merchandising teams, to enhance their understanding of the benefits of regenerative materials and associated positive environmental impacts.

In FY 2025/26, we maintained our performance across leather, viscose and down and feather with 100% of these materials being certified or responsibly sourced (see Metrics section on page 70 for more details). Certified wool increased from 58% in FY 2024/25 to 76% in FY 2025/26. As part of our Autumn 2025 collection, we introduced our first scarf crafted from 100% British wool, traceable to individual farms, commemorating 125 years of partnership with family-run Scottish mill Johnstons of Elgin. The scarf was made on traditional dobby looms using wool from Bluefaced Leicester sheep.

In addition to our responsible sourcing, we also completed a closed-loop textile-to-textile recycling pilot for our Spring 2026 ready-to-wear collection. This pilot featured a womenswear jacket created using as its main material 100% recycled nylon, which was derived entirely from Burberry production offcuts. We continue to assess opportunities to scale and expand our textile-to-textile recycling programmes as part of our broader ambition to support circular material flows and reduce reliance on virgin resources. For more details of our circular business models see pages 71 to 72.

2. Restore and regenerate



Between 2021 and 2025, Burberry partnered with PUR to support 12 Australian wool farmers in adopting regenerative farming practices. As part of the initiative, the farmers, who were certified by the Responsible Wool Standard (RWS), focused on improving soil health, biodiversity and pasture resilience through enhanced farm management. This included implementing practices such as seeding new pasture grasses, setting aside wildlife corridors and installing new fencing and paddocks to allow more rotational grazing.

Burberry also continues to support the Hainan Net-Zero Project in collaboration with the Department of Forestry, the Hainan Bureau of International Economic Development and the Hainan Reform and Development Research Foundation. This initiative is in its third year and 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.

3. Transform

As part of our commitment to reducing the environmental impact of the raw materials we source, we recognise that meaningful progress can only be achieved through strong industry collaboration. In FY 2025/26, our efforts focused on two of our core raw materials, cotton and cashmere.

As a signatory to The Fashion Pact, we support its mission to safeguard nature by accelerating collective action across the fashion sector. Through The Fashion Pact's 'Unlock' programme, we are supporting the development of financial and technical mechanisms that encourage cotton farmers to adopt lower-impact agricultural practices.

In support of our responsible sourcing of cashmere, we have taken an active role in cross-industry research studies to strengthen understanding of the material's environmental footprint. From 2022 to 2025, we participated in a Life Cycle Assessment (LCA) study on cashmere production led by Textile Exchange. This initiative established a robust methodology for evaluating the environmental impacts associated with cashmere and provided important insights into its contribution to GHG emissions. The findings serve as a foundation for continued industry collaboration to advance the sustainability of cashmere supply chains.

In FY 2025/26, we also commenced participation in the UK Nature Transition Plan Pilot led by the Green Finance Institute and the TNFD UK Consultation Group. The pilot programme supports UK businesses in integrating nature into corporate transition planning. Our participation reflects our commitment to strengthening nature-related governance, strategy and risk management in line with the TNFD framework.

Metrics

Certified or responsibly sourced key raw materials



	FY 2025/26	FY 2024/25 Restated	FY 2023/24
Percentage of key raw materials in our products certified or responsibly sourced (as defined in our Sustainable Raw Materials Portfolio)	86% [^]	90% R	55%
Percentage of certified or responsibly sourced cotton	87%	97%	56%
Percentage of certified or responsibly sourced synthetics (nylon, polyester, PU and TPU)	81%	84%	53%
Percentage of certified or responsibly sourced viscose	100%	100%	100%
Percentage of certified or responsibly sourced wool	76%	58%	27%
Percentage of leather from certified tanneries	100%	100%	100%
Percentage of certified or responsibly sourced feather and down	100%	100%	100%

Note: scope of the target applies to all main materials and down filling, where more than 50% of the composition within the specific material is either cotton, synthetics (nylon, polyester, PU and TPU), viscose, wool, leather or feather and down. These materials are defined as key as they make up over 90% of the total volume (in weight) of main materials within our products.

[^] This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2025/26 on Burberrypc.com.

R – Restated figure. The total figure for FY 2024/25 has been restated to reflect a change in calculation methodology which was made in FY 2025/26. The change in methodology is to focus on those raw materials with well-established certification schemes or which meet responsible sourcing criteria as defined within our Sustainable Raw Materials Portfolio and which are already included within our target scope. Therefore, the new calculation methodology accounts for only those key main materials in scope of the target. In previous years all main materials were included in the calculation. Raw materials previously included in the accounting, but not in the target scope, have been removed. This has adjusted our performance for FY 2024/25 as the difference in the reported figure was greater than our 5% threshold for restatement.

More information on our updated calculation methodology can be found in our Sustainability Basis of Reporting FY 2025/26 available on Burberrypc.com.

Key raw materials

	Percentage of product by volume		
	FY 2025/26	FY 2024/25	FY 2023/24
Cotton	44%	48%	44%
Synthetics (nylon, polyester, PU and TPU)	20%	24%	24%
Viscose	0.2%	0.2%	0.5%
Wool	12%	10%	10%
Leather	8%	7%	10%
Feather and down ¹	3%	3%	2%

Note: percentage of product by volume refers to the percentage of total number of products containing the commodity as a main material. Only raw materials with FY 2029/30 certification targets, as of FY 2025/26, are included in this table. This means that the aggregate percentage of all materials referenced does not equal 100% of product volume.

1. Feather and down refers to the percentage of products containing feather and down filling as opposed to the percentage of products with feather and down as main materials.

Traceability of key² raw materials



	FY 2025/26	
	Level of mapping	Percentage mapped
Cotton	Back to Tier 2	91%
	Back to Tier 4	66%
Synthetics (nylon, polyester, PU and TPU)	Back to Tier 2	91%
Viscose	Back to Tier 2	86%
Wool	Back to Tier 2	95%
Leather (bovine)	Back to Tier 2	82%
	Back to Tier 4	58%

Note: Tier 2 refers to country of raw material manufacturing. Tier 4 refers to country of raw material production, for example, country of farming.

2. We rely on transaction certificates collected to support our target of 100% Responsible Down Standard certification to trace down and feather across our supply chain.

RESOURCE USE AND CIRCULAR ECONOMY

Introduction

We are conscious that the resources used to create our products and packaging could result in negative environmental impacts, including excessive waste generation and environmental degradation as a result of resource depletion.

We also recognise that, guided by our Burberry Beyond Sustainability strategy, we have developed business practices designed to deliver positive impacts for the environment. These include driving a more circular economy to extend product life and sustainable packaging initiatives. We are dedicated to reducing the impacts of our material and product use by scaling our circular efforts and minimising the environmental and social impacts within our value chain.

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

1. Circular business

Approach

We are continuously working to embed circularity across the life cycle of our products, ensuring they are designed to be used, cared for and valued for longer. Through our circular business models and global ReBurberry aftercare services we extend product life, preserve craftsmanship and deepen the emotional connection between our customers and their Burberry products. By keeping products in use through resale, restoration and repair, we aim to create lasting value while responding to evolving consumer expectations.

Targets

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

FY 2025/26 performance

At the end of FY 2025/26, 385 stores across 32 countries and territories offered one or more of our global ReBurberry aftercare services. During the year, over 41,000 products were repaired or refreshed, representing a 9% year-on-year increase. For a detailed breakdown of our ReBurberry aftercare services, see page 72.

We also continued our resale initiatives in the UK and USA through our partnership with Vestiaire Collective and further evolved our Trench Restored offering. In addition, we completed our second 'Reimagining Materials' competition in partnership with the London College of Fashion.

Actions

Our circular business models currently consist of Resale, Remake, Restored, Repair and Refresh. In FY 2025/26, we made the decision to stop Rental based on the valuable insights gained through our partnerships with MWHQ, Cocoon and HURR. This shift allows us to deepen our focus on the services that deliver the greatest long-term impact for our customers. We prioritise giving products a second life through resale, expertly restoring our iconic trench coats and inspiring the next generation of designers to reimagine existing materials through Remake. In parallel, we continue to explore opportunities to evolve and enhance our circular offering.

We seek to engage our customers on the circularity of our products through our partnerships and our ReBurberry services. We also deliver engagement opportunities to raise awareness on the topic. In FY 2025/26, we hosted a panel discussion in our Regent Street store on sustainable luxury and circular business models featuring the CEO of HURR and the co-founder of Vestiaire Collective. Customers were able to engage directly with our Aftercare Services team based in the Burberry factory in Castleford, Yorkshire, and gain insight into the craftsmanship involved in making our Heritage Trench Coats.

1. Resale

During FY 2025/26, we continued our partnership with global luxury resale platform Vestiaire Collective in the UK and the USA. On the Burberry x Vestiaire Collective platform, customers can trade in women's outerwear, ready-to-wear, shoes and handbags as well as men's outerwear, in exchange for a Burberry gift card, which can be used in store or online. Pre-loved Burberry pieces are available to purchase globally through Vestiaire Collective. As a result of our partnership with Vestiare Collective, we have garnered insights into how customers are engaging with pre-loved Burberry items.

2. Restored

We continue to celebrate our trench coat, exploring new and innovative ways to bring the iconic product to life for our customers. Through our Trench Restored initiative, trench coats dating from pre-1999 are carefully sourced and individually authenticated, repaired, cleaned and reproofed in the Burberry factory in Castleford, Yorkshire. In FY 2025/26, we hosted a pop-up showcasing a collection of restored trench coats in our Regent Street store.

We continued to source and restore pre-1999 trench coats throughout FY 2025/26 to be sold at client events.

3. Remake

Through our Remake programmes, we aim to inspire our customers and future designers to reimagine their products and materials in new ways.

In the UK, USA and Mainland China, we continued our Cashmere Upcycle service, which enables customers to have their Burberry cashmere scarf repaired using darning techniques and custom embroidery. The service allows customers to extend the life of their products while also offering them a bespoke finish for garments they love.

We also conducted our second 'Reimagining Materials' competition in partnership with the London College of Fashion. Titled 'Reimagined Trench' and celebrating 170 years of Burberry, this year's competition challenged students to reimagine our most iconic piece. We tasked students with repurposing our materials in a creative and innovative way, providing them with an opportunity to gain first-hand experience of managing a real industry brief. Over 130 students applied, and we selected nine finalists and one winner. The winning student was awarded a cash prize and an internship at Burberry.

4. Repair and Refresh

Our global ReBurberry aftercare services demonstrate our commitment to helping our customers to care for their products for longer. In FY 2025/26, we focused on efficiency and embedding best practice across the delivery of our aftercare services. During the financial year, we aligned scarf services across all Scarf Bar locations and completed the global rollout of repair services for

our trench coats and outerwear. We also launched our Jewellery Repair and Refresh services in the UK and the EU.

We offer ReBurberry aftercare services across the majority of our product categories. Our aftercare services comprise Trench Refresh and Reproofing, Outerwear Reproofing, Apparel Repair, Alterations, Scarf Refresh, Scarf Upcycle, Leather Refresh, Leather Repair, Canvas Bag Cleaning, Shoe Repair, Sneaker Refresh and Rewax and Jewellery Repair and Refresh.

For a breakdown of our ReBurberry aftercare services see the Metrics section below.

Metrics

ReBurberry aftercare services

	FY 2025/26	FY 2024/25	FY 2023/24
Number of stores offering one or more aftercare services	385	390	383
Number of countries and territories with stores offering one or more aftercare services	32	33	33
Number of stores offering Repair services	384	382	379
Number of stores offering Refresh services	320	339	312
Total number of products repaired using our aftercare offer	38,110	34,950	39,495
Total number of products refreshed using our aftercare offer	2,909	2,685	3,163
Breakdown of number of products repaired using our aftercare offer			
Trench coats	7,993	8,278	9,525
Leather	7,098	7,876	9,127
Outerwear	6,901	6,434	4,550
Ready-to-wear	13,919	10,079	4,614
Scarves ¹	359	345	N/A
Footwear ¹	493	702	N/A
Other	1,347	1,236	10,997

1. Categories were included from FY 2024/25, therefore data for previous years is not available.

2. Packaging

Approach

Burberry is committed to the responsible sourcing of materials, including those used across our packaging portfolio. In FY 2025/26, we maintained our plastic-free consumer packaging offering and continued to explore lower-impact alternatives for operational packaging and new packaging developments. Across our total packaging portfolio, 85% of our packaging is made from paper and cardboard.

Our Preferred Packaging Materials List and Packaging Material Impact Matrix inform all new packaging developments to ensure associated environmental impacts are considered. These include impacts on water and land use, recyclability, embodied carbon and packaging weight. Additionally, adherence to our Preferred Packaging Materials List promotes readiness for legislation, such as Packaging and Packaging Waste Regulation (PPWR) and the EU Deforestation Regulation (EUDR).

Policies

Our Global Environmental Policy provides detailed guidance to packaging suppliers on sustainable manufacturing practices regarding chemical and water usage, as well as nature protection legislation, such as the EUDR. More details on our Global Environmental Policy can be found on page 55.

In addition, our Responsible Raw Material Sourcing Policy outlines our requirements for value chain partners and our commitments to responsible raw materials sourcing, including materials used in packaging. As the majority of our packaging is paper-based, this policy also sets out clear requirements for the management and mitigation of deforestation risks. Where packaging remains necessary, we maximise use of certified and reusable or recyclable materials in line with circular economy principles set out in our Responsible Raw Material Sourcing Policy and our Preferred Packaging Materials List (available on Burberryplc.com).

Targets

In FY 2025/26, we refined our packaging targets to reflect our learnings and progress since we established our plastic elimination targets in FY 2022/23. From FY 2026/27, we will focus on eliminating unnecessary single-use plastic and limiting remaining use (6% of our portfolio) to essential applications only, where no viable alternatives exist. This includes packaging which offers essential protection from moisture and humidity damage, and minimises breakages to fragile products. In these cases, we will mandate the use of either reusable or certified recycled and recyclable plastic.

From FY 2026/27, our updated packaging targets are:

1. eliminate unnecessary single-use plastic from our packaging by FY 2029/30^{1,2}; and
2. ensure use of preferred materials in our packaging by FY 2029/30.

Consumer packaging

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

Operational packaging

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

FY 2025/26 performance

Our consumer packaging offering has been plastic-free since FY 2023/24. We maintained this position in FY 2025/26.

To track and monitor the origin of wood and paper used for packaging, we aim to ensure that all our packaging is FSC[®] certified, a globally recognised standard for responsible forest management, mitigating deforestation risks. In FY 2025/26, 100% of our paper-based consumer packaging and 94% of our total paper-based packaging portfolio was certified by the FSC[®] and widely recyclable.

Metrics

Packaging

	FY 2025/26	FY 2024/25	FY 2023/24
Percentage of plastic packaging made with a minimum of 50% recycled plastic	92%	87%	86%
Percentage of paper-based packaging procured that is FSC [®] certified	94%	98%	96%
Percentage of paper-based consumer packaging procured that is FSC [®] certified	100%	100%	100%

Note: in order to calculate the percentages of recycled content and FSC[®]-certified paper-based packaging, we have relied on the accuracy of information supplied to us by packaging manufacturers directly managed and/or nominated by Burberry regarding the packaging sold to Burberry.

Figures are based on total volume (in weight) of in-scope packaging, where the packaging is made entirely, or at least more than 50% by weight, from plastic, cotton or paper materials.

Beyond paper and wood, 89% of cotton used in consumer packaging, including garment covers and dust bags, contained a minimum of 50% recycled content.

For operational packaging, we continued to work on eliminating unnecessary plastics, focusing on single use plastic as a priority. Where plastic remains necessary, we have increased the percentage of recycled content used. In FY 2025/26, 90% of operational packaging was made from fully recycled content and 92% of plastic packaging was made from a minimum of 50% recycled content.

Actions

1. Operational efficiency

Beyond the materials used in our packaging, we have prioritised improving operational efficiencies to reduce our associated environmental impact. For example, in FY 2025/26, we redesigned the shipping boxes used for our larger leather products, replacing conventional rectangular-shaped boxes with a wedge-shaped box for select styles. This reduced the overall box size by 35% and minimised the empty space within each box. This redesign not only reduced the amount of packaging we use but also has the additional benefits of lower associated carbon emissions and reduced costs from shipping and storage.

2. Digitalisation of packaging

In FY 2025/26, we digitalised our physical care booklets, previously printed and shipped with footwear, leather goods and jewellery products. Global customers can now access care information through our new FAQ-style Product Care page on Burberry.com via a QR code printed on product labels. We estimate this initiative will save 20 tonnes of printed paper annually. To minimise waste, existing printed booklet stocks are being utilised across all categories before a complete transition to QR codes.

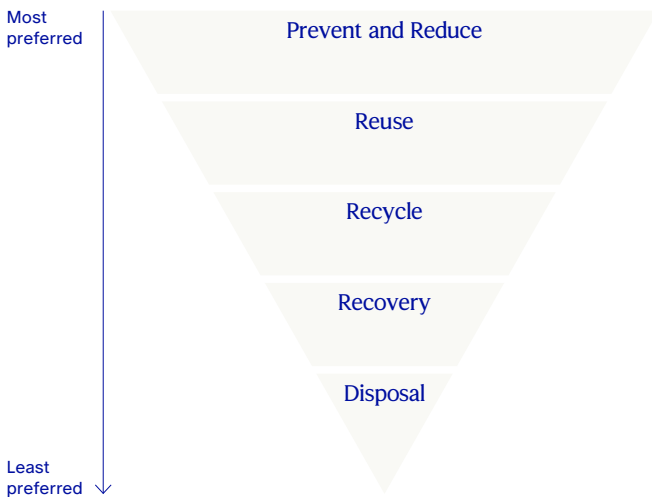
1. Unnecessary single-use plastic packaging is defined as plastic packaging that can be avoided or replaced without impacting the functionality of protective packaging.
 2. Necessary single-use plastic packaging is defined as single-use plastic packaging that cannot be avoided or replaced given its essential protective functionality. Protective qualities of necessary single-use plastic include but is not limited to protection from moisture, humidity damage, breakages and scratches to Burberry products.

3. Waste management

Approach

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

Waste hierarchy



Policies

Our Global Environmental Policy sets out our commitment to managing resources to prevent and minimise waste, as well as the responsible disposal of any waste generated across our own operations and supply chain in line with the waste hierarchy. Burberry's Sustainability Committee, chaired by the CEO, oversees overall policy adherence. The policy is made available to Burberry employees, contractors and Business Associates on Burberrypc.com and is included in relevant onboarding procedures.

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

Actions

Operational waste

To minimise and reduce waste across our own operations, in FY 2025/26, we diverted 100% of operational waste¹ from landfill with an average recycling rate of 76% in our own operations (compared to 75% in FY 2024/25). We continue to implement waste segregation within our own operations, minimising contamination within the waste streams and maximising the volume that can be reused or recycled in line with the Burberry waste hierarchy.

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

In addition, we delivered training to over 430 colleagues at our internal manufacturing and distribution hub locations on the responsible management of waste and how they can support adherence to the Burberry waste hierarchy.

Non-stock waste

We strive to make the most of the resources we use and find new, creative solutions for utilising materials across our operations. In FY 2025/26, the draping materials featured in our Burberry Winter 2025 and Burberry Summer 2026 runway show sets were repurposed in our window displays in our Milan, London, New York and Paris stores. Remaining draping materials were transformed into tote bags used for client gifting. We also reused 279 kilograms of loom offcuts from Burberry Mill as a plastic-free alternative to tinsel used in our festive window displays across 26 stores globally. In addition, to reduce the quantity of packaging used on sets and within stores, we developed tote bags manufactured from excess denim material to facilitate the transportation of equipment.

While we promote internal reuse of our visual merchandising and set builds across our store network and client events, we continue to support local charities and organisations through donations of props, furniture and materials. For example, in FY 2025/26, 500 chairs from our Burberry Summer 2025 runway show and 121 bench cushions from our Burberry Winter 2026 runway show were donated to our longstanding partner, The BRIT School. During the year, we established a new partnership with Last Yarn, a London-based social marketplace facilitating fabric donations to creatives, designers and students. In FY 2025/26, we donated 5,710 kilograms of fabric and 705 kilograms of yarns to the initiative. Through Last Yarn, we also launched an internal quarterly collection of redundant swatch samples from our Fabric Development teams to donate to London-based design students to support the development of their university material portfolios.

In FY 2025/26, our renovated London headquarters, Horseferry House received a BREEAM 'Excellent' environmental rating (see page 56 for more details on BREEAM).

Manufacturing waste

In FY 2025/26, we progressed our waste management programme focusing on key 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:** when 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. We continue to work closely with our Innovation team to identify, adopt and scale textile-to-textile recycling solutions. As part of our Spring 2026 collection, we introduced a jacket made using 100% recycled Burberry nylon production offcuts as its main raw material. This closed-loop textile-to-textile recycling process transformed Burberry’s own manufacturing waste into new materials, strengthening our commitment to circular design
- **Mindset shift:** we aim to drive a zero-waste culture among internal and external stakeholders by raising awareness of waste’s impact and its connection to other resources. In order to progress on our priorities to reduce and revalue waste, we deliver training programmes for our supply chain partners and internal teams

Finished goods



At Burberry, we design with circularity and longevity in mind, making high-quality luxury products made to last. From the way we design and source materials to the aftercare services we offer, we embed circular principles to extend our products’ life cycle. In accordance with Burberry’s waste hierarchy, we prioritise the prevention of waste generation at source. We actively minimise waste in the manufacturing process through our Waste Management Programme with supply chain partners and by prioritising material utilisation.

We also continue to develop operational solutions to prevent and reduce excess inventory, including optimising our planning and forecasting processes through a data-driven approach. This enables us to streamline planning, improve our forecasting accuracy and our responsiveness to in-season adjustments. Optimising stock utilisation allows us to operate with greater precision and advance towards a more responsible and resource-efficient supply chain. This includes leveraging our outlet network and employee sales. We continue to explore opportunities to expand our circular business models as an additional avenue for our products to reach our customers and to help them enjoy their products for longer (see page 72 for further information on our ReBurberry Services). We also donate suitable items through creative partnerships and educational institutions or charities where possible. Finally, we recycle, while actively diverting waste from incineration and landfill. In FY 2025/26, we donated approximately 1,000 items to our longstanding UK charity partner, Smart Works. Smart Works help women transition into employment by providing high-quality interview clothes and interview training.

In certain cases, the continued circulation of products is not possible due to age or unavoidable damage. Our approach to responsible management of unsaleable products is led by our Global Environmental Policy, which prohibits the destruction of unsaleable products globally, specifically by means of incineration (with or without energy recovery) or landfill.

Metrics

Operational waste



	FY 2025/26	FY 2024/25	FY 2023/24
Percentage of operational waste diverted from landfill	100%	100%	100%
Percentage of average recycling rate in our own operations	76%	75%	74%

Note: data based on calendar year (1 January – 31 December). The scope of this metric covers key UK and Italy operations, comprising Burberry’s internal manufacturing facilities and distribution centre in Northern England, Burberry’s London headquarters, Burberry’s office in Leeds, retail stores in the UK, Burberry’s manufacturing site and distribution centres in Italy, as well as Burberry’s distribution centres in Vineland and Shanghai.

Manufacturing textile waste

	FY 2025/26	FY 2024/25
Total textile waste ¹ (tonnes)	790	761
Waste diverted from disposal (tonnes) ²	691	N/A
Reuse and Recycle (tonnes)	243	359
Other recovery (tonnes) ²	448	N/A
Waste directed to disposal ²	99	N/A

Note: the scope of the metric includes primary data collected from direct Tier 1 supply chain partners only, representing 92% of products delivered.

1. Textile waste refers to production-related textile and leather waste.
2. Waste diverted from disposal in FY 2024/25 included reuse and recycling only. From FY 2025/26, reporting has been expanded to include other recovery routes and disposal.

SOCIAL DISCLOSURES



Finer details: Heritage Trench Coats are crafted in Yorkshire and hand-finished by specialist tailors.

Our people, both direct colleagues and those in our supply chain, are crucial to our business and operations. We respect and uphold human rights wherever we operate and we work to enhance our people’s wellbeing through targeted initiatives.

This section highlights our commitment to creating an environment for our people that not only safeguards their health and human rights, but also enables us to make a positive impact on society.

OUR WORKFORCE

Introduction

Our purpose, To Embrace the Elements with Open Arms, is brought to life through our values of Protect, Explore and Inspire, which define the behaviours that matter most at Burberry. These values shape how colleagues collaborate, how leaders set direction and how the business balances creativity with responsibility, performance with wellbeing, and ambition with respect for people and craft.

Our values help to create an environment where belonging and high performance go hand in hand. Colleagues are encouraged to share diverse perspectives, challenge constructively and keep learning in an environment where they feel supported. Through investment in leadership, wellbeing and inclusive ways of working, Burberry aims to help every colleague succeed.

Together, our purpose and values provide a shared foundation that connects colleagues across the organisation, strengthens accountability and supports sustainable performance for the long term.

Approach

Our approach to our people is defined by our Burberry Forward strategy and our objectives to organise for growth, strengthen our leadership and ensure that talent is at the centre of everything we do. We empower colleagues to seek opportunity in everyday challenges and feel connected to our business and each other.

Diversity, equity and inclusion are deeply embedded in our ways of working at Burberry and we are strengthening a culture of belonging across the business. We have established strong foundations through policies, programmes and representation, and continue to support behaviours that mirror who we are as a Company. As part of our transformation, we are reigniting a high-performance culture centred on belonging and grounded in our reimagined purpose and values. Our purpose, To Embrace the Elements with Open Arms, provides a shared foundation that keeps us connected as one Burberry community while encouraging diversity to thrive. Our values ensure we recognise achievements, support collaboration and engage diverse perspectives, so that our people feel valued and part of Burberry. We believe that everyone at Burberry is responsible for bringing our purpose and values to life.

Policies

Our people-focused policies and procedures are aligned to our commitment to support colleagues throughout their career at Burberry.

Our Code of Conduct, available on Burberryplc.com, sets out the behaviours expected of our people and Business Associates. Created to enable our people to make informed, ethical and sustainable decisions, it outlines the key policies, processes and ways of working that must be adhered to while following all local laws and regulations.

Included within the Code:

- Our Burberry Confidential Policy is in place to ensure both colleagues and external parties can speak up about serious concerns. Available in countries and territories where we are present and where it is legally permitted, Burberry Confidential is a global helpline available 24/7 online as well as via telephone
- Our Global Diversity, Equity and Inclusion Policy defines clear expectations, including shared responsibility and formal resolution mechanisms, to underpin an inclusive and equitable workplace
- Our Global Parental Leave Policy offers 18 weeks' paid leave for all employees with six months or more of continuous service, regardless of their gender. Similarly, our Bereavement Leave Policy supports bereaved parents, including foster, adoptive and intended parents, for both pregnancy loss and the loss of a child

We make reasonable adjustments for people with disabilities (including any colleagues who become disabled during their career at Burberry) and ensure our online materials, policies and processes are inclusive of people with both visible and non-visible disabilities.

Actions

1. Embedding our culture of belonging

In line with our aim to Reignite a High-performance Culture, we are working to ensure our people feel connected to our purpose, confident in their contribution to the business and clear on their role in shaping Burberry's future. We are doing this through our Belonging strategy, which forms part of our evolving approach to diversity, equity and inclusion. In March 2026, we launched a campaign asking colleagues to help us define what belonging means at Burberry in order to create a simple definition. In FY 2026/27, we will embed these learnings across the business, including in Human Resources processes from talent acquisition and development to engagement and performance.

In FY 2026/27, we will launch an internal Council with the aim of turning insights into action and strengthening the connection between colleagues and our culture, including our approach to wellbeing and performance. We are also taking belonging into account when considering the strategy, structure and governance required to guide decisions on partnerships and how we participate in key cultural moments. This includes a review of the purpose, structure and impact of our Employee Resource Groups (ERGs) to ensure they operate as effective insight, connection and cultural feedback mechanisms that complement Employee Engagement Survey data and leadership listening.

The upcoming relaunch of the Icon Awards, our flagship recognition programme, will reinforce belonging as a driver of high performance. A peer-led, globally accessible celebration, the event highlights colleagues who have demonstrated high performance and modelled our purpose and values. The refreshed approach will focus on clear behavioural criteria and inclusive participation, helping to make cultural expectations visible and valued across the organisation.

In parallel, we continue to advance our diversity, equity and inclusion initiatives through external benchmarking, such as the FTSE Women Leaders Review, and by embedding the recommendations from our participation in the Investing in Ethnicity Maturity Matrix and the Stonewall Global Workplace Equity Index during the year. In addition, our voluntary disclosure of ethnicity data in our annual gender pay gap reporting builds on our commitment to transparency and greater data disclosure and governance.

By partnering with organisations such as the Business Disability Forum, we are able to identify gaps in our diversity and inclusion efforts. In addition, we can access expert guidance and implement practical actions that strengthen accessibility, develop inclusive leadership behaviours and improve support for people with disabilities so all our people can feel a sense of belonging at Burberry.

2. Growing our talent pipelines

Building on progress in diversifying the talent pipeline, we are strengthening our approach to ensure the fair and consistent hiring of the best talent, supported by accessible systems and processes. We continue to review our recruitment process to ensure it is fair and impartial. In addition to tools like gender decoders, data monitoring and standardised interview forms, we also continue to deliver Interviewing with Impact, a programme that supports hiring managers with best practice interviewing and decision-making.

Our established partnerships remain central to our talent strategy. The Outsiders Perspective continues to deliver targeted pipelines for experienced people of colour into Burberry, while the ambition for our Principal Sponsorship of The BRIT School Fashion, Styling and Textiles course is to evolve it from a high-performing education partnership into a structured early talent pipeline for the business.

To support fair and objective performance management, we provide training and guidance for line managers, which places an emphasis on evaluating colleagues based on clear objectives, skills, capabilities and demonstrated performance.

3. Careers and growth

We strengthened our approach to careers and growth through the creation of a dedicated Career Development role focused on improving career clarity, building career confidence and reinforcing an internal talent first mindset. Career clarity has been enhanced through greater visibility of internal career pathways and roles, supported by initiatives such as Inside Our Teams and Career Colleague Spotlights, with resources available via our intranet to explain our teams' responsibilities and highlight live vacancies. Career confidence is supported through practical tools and resources that enable colleagues to take a more active role in shaping their development.

To support internal mobility, many vacancies are advertised internally for a minimum of five days, with more roles promoted internally than externally. We offer career coaching to support our internal talent, while our career resources have been consolidated within a Careers & Growth Hub to improve accessibility and usability. Capability-building is further reinforced through structured development for managers and leaders. In FY 2026/27, we will continue to focus on strengthening meaningful career conversations and building the skills required to deliver Burberry Forward.

Metrics

Our workforce

	FY 2025/26	FY 2024/25	FY 2023/24
Total employee headcount in direct operations	7,299 ^A	8,459	9,336
Percentage of employee headcount by significant operating location			
EMEIA	50% ^A	51%	51%
Americas	14% ^A	14%	14%
Asia Pacific	15% ^A	35%	35%
Greater China ¹	21% ^A		
Percentage of employee headcount by business function			
Consumer	13%	13%	14%
Design	1%	1%	1%
Enabling ²	14%	14%	14%
Retail	57%	55%	55%
Supply Chain	15%	17%	17%
Percentage of employee headcount in each age category			
Under 30	19%	21%	25%
30-50	68%	65%	63%
50+	13%	14%	13%
Employee engagement score ³	72 points ⁴	69 points	74 points

Note: data as of 31 March 2026.

- Operational location is based on colleague employment location. From FY 2025/26, Asia Pacific is reported as two distinct regions, Greater China and Asia Pacific, to reflect changes in internal reporting and organisational structure. In previous financial years, both regions were reported together under Asia Pacific. Therefore, FY 2025/26 figures are not directly comparable with previous reporting periods.
- Function that provides essential support services/activities that keep Burberry's core business running smoothly and efficiently, including Finance, Human Resources, Information Technology, Legal, Strategy and Property and Facilities Management.
- Our engagement score is derived from colleague listening surveys conducted via the Microsoft Viva Glint platform and reflects the average of voluntary responses. During FY 2025/26, the engagement measure was refined to be based on a single employee satisfaction question, replacing the previous two-question approach, to ensure consistent measurement across all experience surveys.
- Our FY 2025/26 annual Employee Engagement Survey, conducted in October 2025, indicated an increase in engagement compared with the prior year. Continued listening suggests this uplift was supported by confidence in Burberry's leadership and strategic direction, reflected in clearer decision-making and stronger leadership role modelling.

^A This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2025/26 on Burberryplc.com.

More information on our methodology can be found in our Sustainability Basis of Reporting FY 2025/26 on Burberryplc.com.

4. Our commitment to fair and equitable pay practices

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

In line with regulations, we have reported gender pay gap figures annually for our UK employee population since 2017. For FY 2025/26, we also voluntarily reported ethnicity pay gap figures for the fifth consecutive year, reflecting our commitment to transparency and to creating lasting change by continually monitoring our progress.

The gender and ethnicity pay gaps are distinct from equal pay, which is a comparison of the pay for men and women carrying out the same or equivalent roles. For FY 2025/26, we reported a median gender pay gap of 15.5%, a mean gender pay gap of 20.2%, a median ethnicity pay gap of 0.1% and a mean ethnicity pay gap of 15.7%.

We will focus our efforts on creating opportunities for development as well as monitoring our progress with the support of industry reports and benchmarks. This includes the FTSE Women Leaders Review, which recognised Burberry for the eighth consecutive year as a top performer for women in leadership, and the Investing in Ethnicity Maturity Matrix, for which we were rated a Level 3 Advanced Employer and recognised as a Top 30 Employer for our commitment to creating a more inclusive and equitable workplace.

Our workforce by gender

	FY 2025/26	FY 2024/25	FY 2023/24
All workforce	7,299 ^A	8,459	9,336
Female	67% ^A	67%	67%
Male	33% ^A	33%	33%
Junior managers	968	1,058	1,142
Female	64%	63%	65%
Male	36%	37%	35%
Senior managers	383	414	452
Female	56%	56%	57%
Male	44%	44%	43%
Leadership (Director and above) ¹	253	293	331
Female	60%	58%	57%
Male	40%	42%	43%
Executive Committee	13	9	11
Female	46%	33%	27%
Male	54%	67%	73%

Note: data as of 31 March 2026.

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

^A This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2025/26 on Burberrypc.com.

More information on our methodology can be found in our Sustainability Basis of Reporting FY 2025/26 on Burberrypc.com.

Supporting belonging

	FY 2025/26	FY 2024/25	FY 2023/24
Percentage of employees completing our online diversity, equity and inclusion learning journey			
Diversity, Equity and Inclusion (DEI) Module	99%	86%	89%

Increasing representation

	FY 2025/26	FY 2024/25	FY 2023/24
Shortlists across recruitment campaigns ²			
Female	58%	59%	57%
Male	41%	39%	41%
Other	1%	2%	2%

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

OCCUPATIONAL HEALTH AND SAFETY

Introduction

Our operations and facilities span retail sites, corporate offices and supply chain facilities.

Physical and process-related hazards in certain working environments could have negative impacts on our colleagues' health and wellbeing. To foster a safer working environment that positively impacts our people, we have put in place a global

Health and Safety Management System to identify hazards, control risks and train colleagues. We are committed to empowering our people to support their own health, safety and wellbeing, while also managing impacts that occur across our operations.

This section outlines the work undertaken to minimise negative impacts relating to health and safety across our global operations.

Approach

We embed health and safety considerations into all global activities, setting out our commitments and continuous improvement targets within our Global Health and Safety Policy.

Following a Plan/Do/Check/Act approach, we implement risk reduction plans using our hierarchy of controls. These are supported by employee training, procedure updates, equipment or process changes and emergency preparedness. Using incident data, audits, inspections and safety metrics, we regularly monitor and review health and safety performance to ensure measures remain effective and aligned with our policies, objectives and goals. Based on these reviews, we take proactive action to address non compliance, correct unsafe conditions, improve procedures and investigate incidents through a root cause analysis process.

Burberry's Health and Safety strategy is shaped by the Director of Health and Safety, who provides strategic direction and is supported by a global team responsible for translating governance expectations into operational practice. Strategy and decision-making are informed by annual goal-setting aligned with industry best practice, ongoing performance analysis and risk-based prioritisation across the global footprint. Impact and risk are managed through a comprehensive Health and Safety Management System, which includes policy reviews, training, risk assessments, operational standards, wellbeing support, fire and event safety arrangements, and continuous improvement mechanisms.

The implementation of our health and safety standards is monitored through a structured assurance and reporting system. The global Health and Safety team leads the Global Assurance Audit Programme (GAAP), a proactive audit initiative designed to ensure that all our Burberry-managed locations can demonstrate the effective management of health and safety and to help ensure compliance with all relevant policies, including both internal procedures and local regulatory requirements. Unannounced global audits are carried out at a defined frequency, with findings, risk reduction actions and performance metrics reported through regional committees to the Global Health and Safety Committee and Board-level oversight committees. These audits are complemented by incident reporting through systems ensuring transparent tracking of serious incidents, near misses and corrective actions.

Operational ownership for this area sits with the Global Health and Safety Committee (GHSC), chaired by the General Counsel. This Committee, which meets twice a year, is responsible for reviewing the global policy framework, monitoring implementation and ensuring alignment with Burberry's regulatory obligations and internal standards. Supporting the GHSC are regional and local Global Health and Safety Committees operating across the business which enable location-specific risk decisions and escalation pathways to senior management.

If any health and safety risks are identified, the GHSC will raise them to the Risk Committee which ultimately reports into the Audit Committee. The Audit Committee monitors policies and processes for identifying, assessing and managing business risks, including health and safety, and receives regular reporting on performance and emerging risks. (For more details of our Corporate Governance structure, see page 121). The Board is ultimately accountable for the implementation of good health and safety practice across the business.

Policies

Our Global Health and Safety Policy underpins our commitment to maintaining the highest achievable standards of health, safety and wellbeing across our global operations by providing a unified framework that guides how risks are identified, managed and continually improved upon.

The policy mitigates risk and impacts by setting mandatory standards for hazard identification, risk assessment, incident reporting and investigation. It also outlines fire safety and emergency procedures, defines wellbeing support and specifies training and competency expectations for all colleagues and contractors. This policy reinforces our commitment to a safe working environment and outlines clear governance structures and responsibilities. Implementation and monitoring are supported by the GAAP to proactively check compliance and risk control effectiveness across all global locations.

The policy applies to all colleagues, contractors, suppliers and anyone working in or visiting Burberry-managed sites worldwide, ensuring comprehensive coverage across our global operations. The policy is publicly available on Burberrypc.com and internally via Burberry World, our colleague intranet, where it has been translated to 12 languages. In addition, the policy has been made available and displayed in locations accessible to employees.

The policy is approved by the CEO on behalf of the Board, which holds ultimate oversight and monitors the implementation of health and safety practices across the organisation.

Targets

In FY 2025/26, we set our internal health and safety targets based on our incident reporting, audit results and trend analyses from previous financial years, as well as consultation with regional health and safety managers and third-party specialists. Aimed at continually improving our performance year on year, we focused on addressing site reporting participation, reducing serious accidents, increasing near-miss reporting and improving audit scores.

Actions

1. Continuous improvement

Global Health and Safety team

Our global Health and Safety team provides expert guidance, governance and assurance across all regions to support our commitment to protecting people, property and brand reputation. The team is responsible for developing, maintaining and continually improving the global Health and Safety Management System, including analysing leading and lagging performance indicators. Working in partnership with key functions, the team ensures that health and safety standards are consistently embedded across global operations. Regional Health and Safety Champions further support this by serving as visible operational leads and representing colleague safety within local committees

Health and wellbeing

Our Health and Wellbeing strategy focuses on supporting colleagues' mental, physical and financial wellbeing through targeted global initiatives. In FY 2025/26, the mental health of our colleagues remained a key priority with the continued delivery of support sessions and mental health awareness training. Beyond our colleagues, the Global Health and Safety team also carried out model wellbeing surveys. Models engaged by Burberry were encouraged to provide anonymous feedback regarding their experience of working with the brand from a health and safety perspective. Over two runway shows, our surveys, which included questions on topics such as access to healthy food and refreshments and being treated with respect and professionalism, received an 87% positive response rate.

2. Training, governance and communications

Burberry's global health and safety training programme ensures that colleagues across all regions received relevant, engaging and legally compliant learning. In FY 2025/26, Health and Safety Essentials remained a core mandatory training module, achieving a 99% completion rate. Across FY 2025/26, our global Health and Safety team also delivered a range of tailored classroom-based courses and other role-specific qualifications to meet operational needs. This hybrid training approach, combining mandatory digital learning, targeted regional sessions and recognised accredited programmes, supports colleagues in managing their own health, safety and wellbeing while raising standards and reducing incidents across global operations.

3. GAAP

The GAAP delivers a continuous schedule of unannounced audits across all business areas to ensure consistent compliance and high safety standards. The programme maintained its commitment to continuous improvement through updated audit protocols, quarterly review cycles and focused action on repeat audit findings and fire safety risks. In FY 2025/26, 103 audits were carried out globally.

Metrics

Health and safety data

	FY 2025/26
Rate of employee serious work-related accidents per 100,000 employees	26.4
Number of employee work-related serious accidents	24
Rate of employee time loss from work-related serious accidents per 100,000 employees	23

Note: data is based on self-reported accidents on our global reporting system. For FY 2025/26, data represents 84% of global employee headcount. Calculation is not based on pro-rated data.

4. Targeted risk reduction

Fire safety and emergency planning

The global Health and Safety team remains focused on supporting all locations with the implementation and maintenance of the highest fire safety standards. We regularly connect with external specialist support, internal stakeholders and project teams to provide technical advice and fire prevention guidance. We ensure our strategic fire safety commitments are kept under continuous review across all our global operations.

5. Evolving the organisation

Global supply chain

Ensuring best-in-class health and safety standards across our global supply chain operations remains a key priority area for the Health and Safety and site leadership teams. While we continue to adapt to organisational change and supporting Burberry Forward, in FY 2025/26 we aligned our strategic approach to set clearer, smarter targets, removed silos and improved overall compliance. We also set and maintained consistent health and safety standards across our global supply chain sites. We have expanded and formalised Health and Safety Committees across all locations and enhanced our general and task-based risk assessment process. We also completed annual health surveillance for specific workplace hazards, confirming effective control measures to support health and wellbeing, and continued to provide support for construction and improvement projects.

Events, campaigns and brand moments

The Health and Safety team plays a critical role in ensuring the safe delivery of events, campaigns and brand moments across the business. By collaborating closely with internal colleagues and external specialist event partners, the team consistently supports creative objectives while maintaining robust safety standards for global brand activations, including runway shows and high-profile marketing experiences. The team's involvement extends from early planning through to onsite assurance, providing event safety oversight, risk assessments, technical guidance and presence at key moments to safeguard attendees, colleagues and brand reputation.

PEOPLE IN OUR SUPPLY CHAIN

Introduction

With a value chain that operates across the world, our activities impact the lives of the workers who help craft and manufacture our products. As a Company, we respect and uphold human rights and address impacts relating to working conditions and the unfair treatment of workers while mitigating risks of modern slavery and labour law violations. This agenda is deeply embedded in how we operate and is reflected in the management of our relationships with our supply chain partners.

Our commitment to supporting our people and their wellbeing extends to those across our value chain. We collaborate with supply chain partners and external experts across our sector to drive positive, long-term outcomes for supply chain workers through strengthening compliance standards and promoting equal treatment and opportunities, as well as capacity building programmes.

This section covers our approach to managing the impacts and risks relating to people in our supply chain. It also outlines the actions we have undertaken with our supply chain partners to drive meaningful change across our value chain.

Approach

Overall governance and oversight of our human rights work, across our supply chain and direct operations, sits with our Ethics Committee, which is chaired by the General Counsel and meets three times per year.

If any labour or human rights risks are identified, these will be escalated in line with internal governance processes, including reporting to the Vice President of Corporate Responsibility and, where appropriate, to the Ethics Committee. The Ethics Committee reports to the Audit Committee, which is chaired by an independent Non-Executive Director (see page 121 for details of our Corporate Governance structure).

To identify our most material human rights impacts, risks and opportunities, we conduct a Human Rights Impact Assessment (HRIA) of our operational activities and those of our extended supply chain every two years. We have implemented this process since 2014 and continue to evolve our approach through our Ethical Trading Programme and our broader human rights due diligence framework (see our Modern Slavery and Transparency in the Supply Chain Statement FY 2025/26 on Burberrypc.com for more details).

Our most recent bi-annual HRIA took place at the end of FY 2024/25 and was conducted with the support of external experts. Our methodology involves a comprehensive review of our global supply chain, including the identification and mapping of human rights risks and potential impacts. The process is informed by Organisation for Economic Co-operation and Development (OECD) guidelines, specifically the OECD Due Diligence Guidance for Responsible Business Conduct. It is also supported by desk-top research and on-site assessments, as well as engagement with external stakeholders, such as workers, local communities, supply chain partners and NGOs. In addition to our standard assessment, we undertook supplementary analyses to better understand how the human rights of vulnerable groups working within our supply chain may be impacted, including a focus on gender and on countries with a higher prevalence of migrant workers.

The assessment identified the following salient human rights risks across our supply chain:

- Working hours and wages
- Worker voice and access to grievance mechanisms
- Harassment and discrimination, particularly affecting women and migrant workers
- Modern slavery and forced labour risks linked to recruitment practices
- Worker health and access to health services

The assessment also identified areas where there is a heightened risk of modern slavery occurring, including within deeper tiers of our extended supply chain, specific countries and regions with higher levels of risk related to labour rights and migrant workers, as well as specific goods or service industries, such as logistics, cleaning and employment agencies.

During FY 2025/26, we implemented a range of mitigation actions focused on these risk areas (as detailed on pages 83 to 85).

Policies

Our Code of Conduct guides our actions and supports our partners to make informed, ethical and sustainable decisions and has been developed in line with our commitments and experience over many years. The Code includes our Ethical Trading Code of Conduct and Human Rights Policy, which sets out standards to protect the rights of workers across our supply chain, as well as policies that aim to protect vulnerable workers, such as a supply chain Migrant Worker Policy and a Child Labour and Young Worker Policy. Our policies within the Code of Conduct are underpinned by the UN Guiding Principles on Business and Human Rights, the Ethical Trading Initiative Base Code, the International Bill of Human Rights and the Fundamental Convention of the International Labour Organization.

Policies relating to modern slavery and human rights are reviewed annually by our Corporate Responsibility team to ensure they are meeting the latest best practice guidelines and emerging regulatory requirements. This is carried out in conjunction with relevant internal departments, such as Human Resources, and are approved by our Ethics Committee.

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

Targets

In FY 2025/26, we developed new goals to better demonstrate the impact of our programmes. These targets focus on improving worker engagement, strengthening supplier capacity and elevating compliance standards across our supply chain.

Elevate compliance standards

Enhance worker-related rights and elevate compliance standards across our value chain through our audit programme and due diligence framework.

FY 2025/26 performance

During the financial year, 436^A on-site social compliance audits were carried out across our Tier 1 and 2 supply chain. Among our Tier 1 supply chain partners, 69% were either audited or remained in scope of their most recent audit, compared to 75% in FY 2024/25. In addition, 15% of supply chain partners that had an audit in FY 2025/26 improved their ethical trading performance compared to their previous grading. We also further expanded the rollout of our online mandatory modern slavery training programme. This training aims to support internal teams in making responsible sourcing decisions that assist in managing human rights-related risks across our supply chain. In FY 2025/26, we achieved a 94% completion rate.

Collaborate with supply chain partners

Engage our supply chain partners in capacity-building programmes to strengthen their risk management capabilities and improve working conditions throughout their supply chains.

FY 2025/26 performance

In FY 2025/26, we continued to make significant progress in engaging our supply chain partners in capacity-building programmes to strengthen their own risk management capabilities, including delivering our Vendor Ownership Programme (VOP), which is in place at 28 partners globally. In addition, our Migrant Worker Responsible Recruitment and Employment (R&E) programme, in collaboration with the International Organization for Migration (IOM), was established as a fully operational programme in FY 2025/26 and involves 25 partners across three key countries within our EMEIA supply chain. As part of our commitment to raising awareness of modern slavery risks across our supply chain, we partnered with a digital training provider in FY 2025/26 to enable us to make our Modern Slavery training more widely available. During the financial year, 138 supply chain partners had completed the training.

Empower supply chain workers

Promote equal treatment and opportunities for supply chain workers through programmes that support wellbeing, livelihoods, inclusivity and worker voice.

FY 2025/26 performance

We continued to strengthen our Worker Wellbeing Programme, which aims to enhance employee satisfaction and create opportunities for meaningful dialogue between management and workers. This programme is in place at 10 supply chain partners across four countries. We also continued to improve access to and raise awareness of Burberry-sponsored confidential hotlines across our global supply chain and direct operations. These services are now available to 100% of Tier 1 global supply chain workers.

Actions

1. Working conditions

Ethical trading programme

Our Human Rights Due Diligence strategy ensures we adopt a risk-driven avoidance, assessment, mitigation, remediation and prevention approach across our supply chain. This strategy supports compliance with upcoming human rights regulations and aims to embed a proactive, pragmatic culture that protects Burberry's values, strengthens stakeholder trust and enables sustainable growth. In line with that, during the financial year, we continued to implement robust auditing and compliance programmes to effectively identify, manage and mitigate potential violations of our Code of Conduct.

Audit activities this year were prioritised using a risk-based approach, focusing on facilities where labour rights issues are more likely to occur and where our engagement can deliver meaningful outcomes. This approach included targeted audits of raw material suppliers to further strengthen our understanding of Tier 2 supply chain risks. Partners that were identified as higher-risk received enhanced engagement and follow-up from our teams. Audit planning across the remainder of the supply chain continued to be informed by risk assessments, supply chain and operational factors as well as previous audit performance.

In FY 2025/26, 69% of our Tier 1 suppliers were either audited or remained in scope of their most recent audit. Less than 3% of supply chain partners were identified as having Critical or Business Critical findings and were managed in line with our Critical procedure. This requires a formal commitment and corrective action plan within 15 working days, followed by either announced or unannounced audits to ensure sufficient progress is shown before continuing the partnership. Where a partner is unable to remediate identified issues and meet agreed improvement deadlines with our support, we may consider responsible disengagement as a last resort. We analyse all our audit findings on a global scale to understand where to focus our remediation and social impact programmes. During the financial year, the main areas of non-conformance with our standards across all audits conducted were related to health and safety and concerns relating to working hours, such as excessive overtime. We will continue to work with our partners to identify the root cause of these issues and implement actions to address and prevent them. Where there is non-compliance, we require our supply chain partners to implement a corrective action plan to make progress and meet all our ethical trading standards. More information on our Ethical Trading Programme can be found in our Modern Slavery and Transparency in the Supply Chain Statement FY 2025/26 on Burberrypc.com.

^A This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2025/26 on Burberrypc.com.

One area of continued focus for risk mitigation in FY 2025/26 was the potential risks associated with migrant workers and implementing a reinforced due diligence approach to assess, remediate and prevent instances of actual or potential negative impacts on these workers. Our approach includes:

- An extensive assessment (conducted on an unannounced basis) of the supply chain partner’s operating procedures, spanning workers rights, employment practices, fiscal due diligence and electrical consumption analysis
- Out-of-hours site visits are conducted with the support of third-party consultants
- Action plans tailored to each supply chain partner to support their capacity to address and prevent negative impacts
- An internal due diligence review of Burberry’s purchasing practices, to identify any connections between our sourcing policies and any non-conformities identified through our audit programme

All partners issued with action plans and openly working on remediating impacts observed are regularly reassessed to validate improvements.

Vendor Ownership Programme

Our Vendor Ownership Programme (VOP) is a core element of how we manage risk in our supply chain. The VOP provides our key¹ supply chain partners with support to develop and run their own due diligence programme within their extended supply chains in line with our standards. The VOP supports our efforts to uphold our ethical standards and actively works to prevent modern slavery risks through our partners’ continued engagement, along with extensive support and training. Regular audits focused on human rights as well as health and safety are conducted by our VOP partners and, in certain cases, third-party auditors, using our Ethical Trading Code of Conduct as a guide. Based on the results of the audit, improvement action plans are developed and shared with our partners’ supply chain, who in turn bridge the gaps identified.

In FY 2025/26, we delivered a range of training and awareness initiatives to strengthen partners’ understanding of human rights risks and responsible supply chain practices. Activities included a six-session online training course for newly appointed VOP resources. This was led by an external consultant and focused on risk mitigation, auditing practices, interview techniques and remediation of key non-conformities.

We also delivered dedicated training on effective grievance mechanisms and the use of Burberry-sponsored hotlines. In addition, an in-person VOP Community Day for Italy-based partners featured workshops on supply chain risks and vulnerable groups. It included guidance from the IOM on interviewing migrant workers and adopting gender-sensitive human resources and health and safety approaches. Additionally, multiple question-and-answer sessions were held to provide updates on the programme and offer further support to partners.

Worker grievance mechanisms

We ensure that employees and workers in our supply chain have access to confidential support and advice. Burberry Confidential is our global grievance mechanism and is available to all of our stakeholders, including key rights holder groups (employees, supply chain workers, communities and our customers). Since early 2025, we have engaged with supply chain partners, distribution centres, hubs and service providers to raise awareness of the hotline across their own organisations and their workforce through comprehensive training programmes and the provision of translated communication materials and resources.

We also sponsor a confidential hotline and worker outreach programme in the Asia Pacific region run by Inno Community Development Organisation, an NGO for workers in our supply chain, which provides advice on workers’ rights and wellbeing as well as confidential support. Additionally, the NGO focuses on engagement with workers through outreach via messaging apps and training delivered through live online sessions on key topics, including working hours, wages, contracts and social insurance. It also provides on-site training to strengthen awareness of gender-related risks and respectful working environments for both management and worker representatives.

Throughout the financial year, together with our NGO partner, we continued to conduct awareness-raising sessions to promote the use of the confidential hotlines to supply chain workers, highlighting benefits and the services provided. 100% of all complaint calls have been responded to and over 99% have been addressed, with action plans in place for the small number of remaining cases to ensure all concerns are fully resolved. Grievance resolution is regularly monitored by the Corporate Responsibility team and any grievances made through Burberry-sponsored channels are logged and processed with outcomes formally recorded. Complainants are kept informed that their report has been received and, where sufficient information is provided, that appropriate remedial actions have been taken.

2. Human rights

Supply chain training

Our partners play an integral role in helping us to identify and mitigate the risk of modern slavery in our supply chain and we invest in providing training to support this. As part of our supplier onboarding process, we conduct training with all our new Tier 1 suppliers to ensure they have a clear understanding of our ethical trade requirements before an audit takes place. We highlight the importance of being transparent during an ethical audit and share how our Ethical Trading Programme works.

As part of our commitment to raise our supply chain partners’ awareness about modern slavery risks within their own operations and extended supply chains, in FY 2025/26 we started a partnership with a digital training provider. Training modules are focused on ethical recruitment and employment practices and address key forced labour risks with country-specific insights. Training is targeted at supervisor and managerial levels and is available in 34 languages. This interactive learning platform will allow us to reach more of our supply chain partners and offer greater flexibility by enabling learning at their own pace. In FY 2025/26, the training was completed by 764 representatives, primarily managers and supervisors, across 138 of our supply chain partners.

1. Supply chain partners are selected based on volumes, value and length of relationship. This ensures that the programme addresses risk within the majority of our Tier 1 supply chain.

Internal colleague training

During FY 2025/26, we further expanded the rollout of our Modern Slavery training programme, requiring completion from over 1,695 colleagues globally across Supply Chain, Product Development, Corporate Responsibility, Human Resources and Retail functions, achieving a 94% completion rate. The training was designed for colleagues who have close contact with key rights holders, including employees, supply chain workers, communities and our customers. It highlights risk areas, demonstrates likely indications of human rights abuses, including instances of modern slavery, and explains how to take action if an incident of modern slavery is suspected.

3. Equal treatment and opportunities for all

Migrant workers

The Migrant Worker Responsible (R&E) Programme was established in FY 2024/25 in collaboration with the IOM as a pilot project to raise awareness about the fair and ethical management of migrant workers. Following its success, it has since been established as a fully operational programme within 25 supply chain partners across our EMEIA supply chain.

The programme aims to build the capacity of our Tier 1 supply chain partners to effectively manage migrant worker recruitment and employment practices in line with our Migrant Worker Policy. It also raises awareness of migrant workers' increased vulnerability to potential human rights violations and strengthens partners' ability to identify, assess, prevent and manage related risks. It includes tailored engagement activities and online and on-site training, as well as practical guidance tools.

Worker Wellbeing Programme

In FY 2025/26, 10 Tier 1 supply chain partners participated in our Worker Wellbeing Programme, reaching 13,199 workers in our supply chain. The programme aims to identify hidden risks through proactive worker engagement. Additionally, it is intended to educate supply chain partners on ways to enhance employee satisfaction by focusing on worker wellbeing and creating opportunities for meaningful engagement with workers to foster open dialogue and gather valuable insights.

We engage with stakeholders to inform response actions, including launching surveys to measure worker wellbeing, meeting with supply chain partners to identify opportunities for improvement and formulating site-specific action plans.

We continue to strengthen the programme by building on the strong capabilities and insights generated through the worker engagement survey. In FY 2025/26, we expanded its use across our due diligence programme, with the tool now activated where relevant concerns are identified through social audits or grievance mechanisms, ensuring our approach responds both to planned priorities and emerging risks.

The performance achieved in FY 2025/26 by our participating suppliers is as follows: 40% High Satisfaction, 60% Acceptable Satisfaction¹.

Health Programme

In FY 2025/26, we continued to deliver our Health Programme across our supply chain and expanded it to suppliers in two additional countries across Asia, reaching both local and migrant workers. During the year, 1,463 supply chain workers participated in the programme, receiving approximately 2,564 hours of health training in total.

To ensure the training is effective and relevant for participating workers, we work closely with supply chain partners and the medical practitioners delivering the sessions to determine priority health topics. The programme is structured around four core modules: women's health, men's health, general health and mental health, covering topics such as reproductive health, cancer awareness, nutrition and wellbeing.

Training is delivered in workers' local languages, and in FY 2025/26 placed particular emphasis on women's health, reflecting the specific needs of suppliers and their workforce.

Metrics

People in our supply chain

	FY 2025/26	FY 2024/25	FY 2023/24
Number of Tier 1 supply chain partners	680	687	679
Number of total workers in Tier 1 supply chain	75,762	61,495	62,230
Percentage of female workers in Tier 1 supply chain	71%	71%	71%
Percentage of male workers in Tier 1 supply chain	29%	29%	29%
Percentage of Tier 1 production sites covered by national and/or industrial collective bargaining agreements	76%	78%	-80%

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

Social compliance audits and assessments

	FY 2025/26	FY 2024/25	FY 2023/24
Number of on-site social compliance audits carried out in the year (full audit on-site or follow up audit on-site)	436 [^]	383	495
Number of desktop social compliance assessments carried out in the year	52	86	100
Percentage of our Tier 1 supply chain partners that have had a social compliance audit or remained in scope from previous audit	69%	75%	71%
Percentage of Tier 1 supply chain partners that do not meet our ethical trading standards	2.6% [!]	1%	1%
Breakdown of Tier 1 supply chain partners' social compliance audit performance			
% Business Critical	0.2%	0%	0%
% Critical	2.4%	1%	1%
% Major	59.4%	61%	44%
% Minor	27.2%	26%	27%
% Excellent	10.7%	12%	14%
% Other ²	0%	0%	14%
Percentage of Tier 1 supply chain partners that have improved their social compliance audit performance ³	15%	N/A	N/A

- Only 2.6% of our Tier 1 supply chain partners were identified to have Critical or Business Critical findings and were managed in line with our Critical procedure. in FY 2025/26. The main areas of non-conformance with our standards were related to: incomplete working records, excessive overtime, use of inadequate labour contract, inappropriate behaviour, poor fire safety conditions. We will continue to work with our partners to identify the root cause of these issues and implement actions to address and prevent them. More details can be found in our Modern Slavery and Transparency in the Supply Chain Statement FY 2025/26 available on Burberrypkc.com.
- Other grading refers to Accepted, Pre-approved or Audit to be confirmed.
- This metric is being reported for the first time in FY 2025/26. Data for the previous financial years is not applicable or available.

[^] This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2025/26 on Burberrypkc.com.

Human rights training

	FY 2025/26	FY 2024/25	FY 2023/24
Number of our colleagues, across all relevant departments, completing training on human rights	1,587	883	125
Number of supply chain partners completing training on human rights and ethical employment	138 ⁴	227	246

- We began a partnership with the digital training provider Quizrr in late FY 2025/26. The figure for this financial year reflects the training that has taken place since its launch. This new learning platform will allow us to reach more of our supply chain partners in the future and offer greater flexibility by enabling learning at their own pace.

Vendor Ownership Programme

	FY 2025/26	FY 2024/25	FY 2023/24
Number of Tier 1 supply chain partners involved in the VOP	28	28	24
Number of subcontractors reached through their VOP partners	361	315	310
Number of workers reached in the VOP	44,822	26,505	20,547
Percentage of global Tier 1 supply chain partners involved in the VOP	55%	45%	46%

Migrant Worker Responsible Recruitment and Employment Programme

	FY 2025/26	FY 2024/25
Number of Tier 1 supply chain partners engaged in the programme	25	34
Number of Tier 1 supply chain workers reached through the programme	5,846	1,931

Worker hotlines

	FY 2025/26	FY 2024/25	FY 2023/24
Number of calls to Burberry-sponsored worker hotlines ¹	434	451	473
Number of complaints	77	34	22
Number of consulting requests	351	413	447
Number of psychological support requests	6	4	4
Percentage of complaint calls that have been addressed ²	>99%	>99%	77%

1. 100% of our Tier 1 global supply chain workers are covered by hotlines, either through Burberry Confidential or NGO-sponsored channels. In early 2025, we expanded Burberry Confidential across our Tier 1 supply chain and FY 2025/26 is the first year we are reporting the data from this hotline. The FY 2024/25 and FY 2023/24 data is representative of NGO-sponsored channels only.

2. 100% of all complaint calls have been responded to and over 99% have been addressed, with action plans in place for the small number of remaining cases to ensure all concerns are fully resolved.

Health Programme

	FY 2025/26	FY 2024/25	FY 2023/24
Number of supply chain workers participating in the Health Programme	1,463	991	832

Worker Wellbeing Programme

	FY 2025/26	FY 2024/25	FY 2023/24
Number of Tier 1 supply chain partners participating in the Worker Wellbeing Programme	10	18	9
Number of Tier 1 supply chain workers covered by the Worker Wellbeing Programme	13,199	13,670	11,650

COMMUNITY INVESTMENT

Introduction

We strive to do the right thing for our customers, our communities and the world around us. We continue our founder's legacy by supporting young people, championing our communities and collaborating with organisations to make a positive impact.

This section details the approach, policies and targets which support our community investment agenda, as well as the related work we have undertaken in FY 2025/26.

Approach

Since 2010, we have committed to giving at least 1% of profit before tax (PBT) annually to charitable causes, including amounts donated to The Burberry Foundation (UK registered charity number 1154468). Established in 2008, The Burberry Foundation is governed as a separate entity and operates independently to Burberry Group plc. As such, it follows the regulations and laws applicable to charitable organisations in the UK. The Burberry Foundation's Board of four trustees meets quarterly and is chaired by Christopher Holmes, Lord Holmes of Richmond, MBE.

The Burberry Foundation strengthens Burberry's identity as a company rooted in creativity, culture and exploration. It reflects our heritage of enabling people to open new horizons. By providing simple, meaningful ways to support local communities, The Burberry Foundation strengthens the colleague experience and builds pride, belonging and connection across the organisation.

Its purpose is brought to life through Burberry Inspire, a youth development programme that uses creativity as a tool for social connection and confidence building.

The programme gives young people access to experiences and skills that support long-term progress.

Programme overview

Across our key operating regions, many young people have limited access to creative learning, cultural spaces and supportive environments. This affects belonging, confidence and skill development. Burberry Inspire responds to this with structured, creativity-led experiences that build connection and confidence.

Burberry Inspire was launched in June 2023 as The Burberry Foundation's flagship programme, in partnership with the International Youth Foundation globally, OnSide in the UK, and regional partners across the USA, Italy, Japan, Hong Kong S.A.R., China and South Korea.

Burberry Inspire has a mission to provide access to creative activities for young people from underserved communities. The activities delivered by the programme are youth led and locally shaped with our regional partners designing activities that reflect local needs and culture. To ensure there is lasting, long-term impact from the programme, we follow a Creative Youth Development approach, which combines hands-on creative learning with strong peer and mentor relationships. This shared impact framework also enables us to consistently measure and monitor our impact across all regions.

Burberry colleagues receive three volunteer days per year. Our colleagues can volunteer their time to causes that are particularly meaningful to them or aligned to Burberry Inspire. This approach means we can positively impact both our local and global communities.

Policies

Our Community Investment Policy and Procedures sets out our approach to community investment, charitable giving, humanitarian aid, employee volunteering and fundraising. Our community investment methodology aligns with the Business for Societal Impact (B4SI) Framework. The policy extends to all Burberry Group plc operations, including wholly or majority-owned subsidiaries. We believe that by implementing this policy consistently across our operations, we can make a more significant lasting impact on our communities.

The policy is approved by our Ethics Committee, while our Corporate Responsibility team monitors its implementation. The policy is available to staff via Burberry World, our internal colleague intranet.

Targets

Inspire young people to create better futures

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

FY 2025/26 performance

During the financial year, 176,524[^] people were positively impacted¹ through community programmes supported by Burberry Group plc and The Burberry Foundation. This achievement adds to our cumulative total of 830,121[^] people since FY 2022/23, exceeding our closing target of 500,000 by FY 2025/26.

Increase volunteering opportunities for colleagues

Since FY 2022/23, we have had a target in place aimed at increasing volunteering opportunities and engagement for Burberry colleagues by FY 2025/26. We have been monitoring performance against this target since FY 2023/24 and found the approach over-emphasised participation rather than impact and included initiatives with limited strategic alignment. As a result, this target and associated metrics were retired during FY 2025/26 to focus our efforts on more impact-driven opportunities and measurement.

The Burberry Inspire programme’s global reach



1. Positively impacted refers to the number of people directly reached by our community programmes, in line with the B4SI framework. This includes individuals who directly participate in or benefit from our initiatives, such as training, mentoring or access to resources and services.

[^] This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2025/26 on Burberrypkc.com.

Actions



Burberry Inspire showcase.



Burberry Inspire x Haja Day.

1. Burberry Inspire Showcase, London

We hosted the annual Burberry Inspire showcase in July 2025, welcoming more than 60 young people from four OnSide Youth Zones across London to Burberry's Horseferry House headquarters for a day celebrating creativity and achievement.

More than 120 colleagues supported the day, creating a platform for participants to share projects developed through the Inspire programme while gaining first-hand insight into careers across the creative industries.

Immersive workshops included a Product Engineering Masterclass and a Behind the Scenes at the Atelier tour, offering a closer look at how designs are brought to life. Participants were invited to collaborate on a mural inspired by Burberry's heritage and the theme The Power of Exploration.

The showcase concluded with a performance event introduced by the Chair of The Burberry Foundation's Board of Trustees, Christopher Holmes, Lord Holmes of Richmond, MBE and OnSide CEO, Jamie Masraff. From a stop-motion film to music and dance performances, the programme highlighted the talent, confidence and creativity developed through Burberry Inspire.

2. Burberry Inspire x Haja Day, Seoul

Haja Center, a Burberry Inspire partner, held the second annual Burberry Inspire x Haja Day in September 2025. Bringing creativity to life, the event was a vibrant celebration of community, imagination and youth-led innovation in Seoul.

This open event provided a dynamic platform for emerging young creators working across visual arts, writing and digital content to share their creative journeys and inspire the wider public.

Throughout the day, young people transformed the Haja Center into an interactive hub of creativity, designing hands-on booths where visitors could explore screen printing, wooden mobile making and other artistic activities. Musical workshops and writing showcases further highlighted the talent and confidence of participating creators.

By placing young voices at the centre, Burberry Inspire x Haja Day empowered participants to develop new skills, build self-belief and connect with their community, demonstrating the transformative impact of creativity in action.



Marking International Youth Day.



Fuse Family Art Day.

3. International Youth Day, New York City

In August 2025, we marked International Youth Day with a celebration alongside Burberry Inspire partner International Youth Foundation, ringing the Nasdaq Closing Bell in honour of Burberry Inspire.

The ceremony showcased the impact of the Burberry Inspire programme and its mission to empower young people through creativity. Bringing together partners, including New York Edge and Girls Inc. of New York City, the moment celebrated collective efforts to help young people discover their potential.

Fuse Family Art Day, Hong Kong S.A.R., China

Three Burberry colleagues volunteered with Hong Kong Youth Arts Foundation, a Burberry Inspire partner, for the annual Fuse Family Art Day in August 2025. A lively celebration of creativity, connection and community, the event brought young people and their families together for a day of hands-on artistic exploration and shared experiences. From crafting expressive wire portraits inspired by loved ones to energising the space with glowing Wotagei dance performances, participants discovered new ways to express themselves and connect through creativity.

Metrics

Positively impacted

	FY 2025/26	FY 2024/25	FY 2023/24
Number of people positively impacted ¹ through community programmes supported by Burberry Group plc and The Burberry Foundation in FY 2025/26	176,524 [^]	273,435 ²	219,377
Number of people positively impacted ¹ cumulatively through community programmes supported by Burberry Group plc and The Burberry Foundation since FY 2022/23	830,121 [^]	653,597	380,162

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

[^] This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2025/26 on Burberrypc.com.

BUSINESS CONDUCT DISCLOSURES



Scarf Craft: it takes more than 30 steps to weave a single Burberry scarf.

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

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

ANTI-BRIBERY AND CORRUPTION

Introduction

Burberry is an open and caring organisation, a value which is underpinned by our desire to be responsible. We strive to do the right thing by our people, our customers, our communities and the world around us. Complying with applicable laws and regulations and doing the right thing are embedded in our Company's culture. As such, we adhere to and support international efforts to combat bribery and corruption in accordance with the United Nations Convention against Corruption, including the UK's Bribery Act 2010. Failure to comply with applicable anti-bribery and anti-corruption laws, whether by Burberry directly or within our wider operations, could expose us to risks including legal liabilities, financial penalties, reputational damage and loss of stakeholder trust.

Approach

Our Anti-Bribery and Anti-Corruption Policy is in place to ensure integrity in our direct and indirect business operations. Compliance with the policy is mandatory for our employees, contractors and all third parties associated with Burberry, with the policy being shared during our onboarding process and a part of mandatory employee training. We are committed to investigating any reports or concerns promptly, thoroughly, independently and objectively. We have multiple channels for concerns to be raised, including via line management, Asset and Profit Protection, Human Resources and Burberry Confidential (which can be used by employees, contractors and Business Associates). Reports are handled in accordance with our Burberry Confidential and Whistleblowing Policy (available on Burberryplc.com). We have an open culture with high standards of accountability and ethical behaviour. As such, we have zero tolerance for retaliation when concerns are raised.

Policies

Our Anti-Bribery and Anti-Corruption Policy outlines the steps taken to prevent bribery and corruption in connection with Burberry. It explains what bribery, corruption and facilitation payments are, sets out the obligations of Business Associates, and details Burberry's expectations in respect of gifts and hospitality. Burberry's General Counsel is responsible for implementing the policy. The policy is made available to our employees, contractors and third-party Business Associates at all times via Burberryplc.com. We share a copy of the policy with third party Business Associates as part of our onboarding process, and we require contractual assurances that they will comply with the policy as a condition of working with us. The policy is also made available to Burberry employees as part of mandatory annual anti-bribery and anti-corruption training, which covers the content of the policy.

Actions

1. Colleague training

Each year, we carry out online anti-bribery and corruption training across our corporate, internal manufacturing and retail (manager level and above) colleagues. In FY 2025/26, 99% of these colleagues completed their training.

2. Reporting systems update

In FY 2025/26, improvements were made to current reporting systems to drive efficiencies. This included launching Power BI dashboards for our Asset, Profit and Protection (APP) and Client Engagement teams to provide real-time updates of declarations and more meaningful analytics for insights. With the support of our IT team, updates have also been made to the online register to ensure fewer errors.

ANIMAL WELFARE

Introduction

As a luxury fashion brand, we use animal-derived raw materials, including leather and wool, to create ready-to-wear, accessories and footwear. We are conscious of the potential negative impacts of mismanagement with respect to the sourcing of these materials. We believe that animal welfare is of the utmost importance and are committed to principles and practices that require animals in our supply chain to be treated with care and respect.

Approach

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

Policies

With respect to animal welfare, our Responsible Raw Materials Sourcing Policy outlines our requirements for value chain partners and colleagues, as well as our commitments to responsible raw materials sourcing. The policy (available on Burberrypkc.com) also outlines our requirements with respect to packaging, and animal welfare and testing. Our Beauty licensee, Coty, publishes its own Against Animal Testing Policy & Program, which is available on Coty.com.

Actions

1. Raw materials target progress

In FY 2025/26, 86%^A of key raw materials in our products were certified or responsibly sourced as defined in our Sustainable Raw Materials Portfolio (available on Burberrypkc.com). The Portfolio is based on certification programmes and sourcing criteria which promote ethical farming practices and enhance supply chain transparency.

Further details on our raw material sourcing targets and progress to date can be found in our Biodiversity and Ecosystems section from pages 65 to 70.

2. Industry collaboration

Burberry is also part of the Textile Exchange Animal Fibers Round Table. It aims to create strategies and propose approaches to setting long-term material commitments to achieve industry change.

^A This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2025/26 on Burberrypkc.com.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

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

The information listed is incorporated by cross-reference.

Reporting requirement	Policies and standards which govern our approach	Information necessary to understand our business and its impact, policy due diligence and outcomes
Environmental matters	<ul style="list-style-type: none"> • Global Environmental Policy • Responsible Sourcing Policy • Chemical Management Standards • Code of Conduct 	<ul style="list-style-type: none"> • Sustainability at Burberry section, pages 46 to 75 • Impact section on Burberryplc.com • Task Force on Climate-related Financial Disclosures (TCFD), pages 46 to 75
Employees	<ul style="list-style-type: none"> • Code of Conduct • Our Culture and Values • Global Health and Safety Policy • Ethical Trading Code of Conduct • Global Diversity, Equity and Inclusion Policy 	<ul style="list-style-type: none"> • Directors’ Report, pages 178 to 180 • Directors’ Remuneration Report, pages 141 to 177 • Our Purpose and Values, page 11 • Stakeholder Engagement, pages 39 to 40 • Gender and Ethnicity Pay Gap Report on Burberryplc.com • Sustainability at Burberry section, pages 76 to 90
Respect for human rights	<ul style="list-style-type: none"> • Human Rights Policy • Ethical Trading Code of Conduct • Child Labour and Young Worker Policy • Migrant Worker Policy • Data Protection Policies • Information Security Policies • Model Wellbeing Policy • Global Diversity, Equity and Inclusion Policy • Partner Non-Compliance Policy 	<ul style="list-style-type: none"> • Impact section on Burberryplc.com • Modern Slavery and Transparency in the Supply Chain Statement FY 2025/26 on Burberryplc.com • Sustainability at Burberry section, pages 76 to 87
Social matters	<ul style="list-style-type: none"> • Ethical Trading Code of Conduct • Local Stakeholder Engagement Policy • Volunteering and Match Funding 	<ul style="list-style-type: none"> • Impact section on Burberryplc.com • Sustainability at Burberry section, pages 76 to 90
Anti-corruption and anti-bribery	<ul style="list-style-type: none"> • Anti-Bribery and Anti-Corruption Policy • Cash Acceptance Policy • Fraud Risk Management Policy 	<ul style="list-style-type: none"> • Reflecting the needs of our stakeholders, People, page 40 • Reflecting the needs of our stakeholders, Customers, page 39 • Anti-Bribery and Corruption section, page 92
Additional disclosure		<ul style="list-style-type: none"> • Our Business Model, pages 12 and 13 • Environmental and Social Measures (Non-financial KPIs), pages 36 to 90 • Risk and Viability Report, pages 95 to 105 • Our Purpose and Values, page 11

RISK AND VIABILITY REPORT

Risk management at Burberry supports growth and protects existing value.

Our approach to risk

Group Risk

Effective risk management is integral to the delivery of our strategic objectives, the protection of our brand and reputation, and delivering value to our stakeholders. The Group Risk function integrates enterprise risk management, business resilience and insurance, while also supporting the consistent integration of risk considerations into strategic and operational decision-making across the Group.

By collaborating with teams across the business, Group Risk enhances the identification and assessment of risks, establishing the required mitigation profile to meet the Group's strategic objectives and manage risk within Burberry's risk appetite.

The Group's business resilience framework focuses on critical operational risks, ensuring continuity plans are in place and regularly tested, including scenario-based simulations conducted with business functions and the Crisis Management team, which is chaired by the Group CEO.

The Group's insurance strategy, informed by its risk appetite, tolerance and overall risk profile, seeks to ensure appropriate cover for insurable risks. This is achieved through close coordination across enterprise risk management and business resilience activities, supporting the protection of the Group's operations, balance sheet and stakeholders.

Regulatory developments

A management steering committee reviews current practices for internal controls and recommends any changes required by the revisions to Provision 29 of the 2024 UK Corporate Governance Code, which will apply to the Group from FY 2026/27. For further details see the Audit Committee report on page 137.

Risk Management Framework

The Group Risk Management Framework, aligned to ISO 31000:2018, sets out the Group's approach to risk governance, risk appetite and risk management processes, as illustrated by Figure 1 on page 96. The framework supports business functions in managing risks to achieve the Group's strategic and operational objectives and provides clear governance for communicating risk outcomes to internal and external stakeholders.

The framework is underpinned by ongoing assessment of the internal and external environment across the short to medium term, alongside horizon scanning for longer-term and emerging risks. Internal factors include our people, capabilities, resources, infrastructure, resilience, culture and objectives. External factors include customer and shareholder expectations, regulatory developments, competitive dynamics, luxury industry trends, raw material volatility, macroeconomic conditions, climate impact, geopolitical factors and the cybersecurity landscape.

Risk appetite

The Group's risk appetite, set by the Board, defines the level of risk acceptable in pursuing responsible and sustainable growth. The Board oversees and challenges management's identification, assessment and mitigation of risks to ensure they remain within this appetite.

The Board delegates responsibility for reviewing the effectiveness of the Group's risk management and internal controls to the Audit Committee, supported by the Group's risk governance structure (see Figure 1 on page 96). Second- and third-line teams provide independent assurance to management and the Audit Committee on the effectiveness of controls and related actions.

The Group's risk appetite was reviewed by the Risk Committee and approved by the Board in March 2026.

Risk appetite statement

We seek to protect the long-term value and reputation of our brand by pursuing responsible, sustainable growth within a defined risk tolerance.

A measured level of risk is accepted in pursuit of growth in a dynamic luxury market. We accept a moderate level of risk in the investment and allocation of capital to strategic projects, enabling profitable growth through creativity and innovation, while balancing returns with proportionate commercial risk under the Capital Allocation Framework.

Compliance with applicable laws, regulations and ethical standards remains fundamental to Burberry's culture and strategic ambition. In evaluating risks and opportunities, priority is given to the safety and interests of customers, colleagues, communities, partners and the environment.

Risk governance



Figure 1. Risk governance

Board

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

Audit Committee

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

Risk and Ethics Committees

- Oversight of key risks, reporting to the Audit Committee
- Formal groups for ongoing risk monitoring and decision-making on risks and issues escalated from business functions
- The Committees can be found on page 121

Leadership teams

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

Risk process



Figure 2. Risk process

Risk identification

- Risks are continuously identified and assessed for their potential impact on objectives, taking into account both the internal and external environment

Risk assessment

- The Group Risk Management Framework provides guidance to support the assessment of the likelihood and impact of risks, using a combination of quantitative and qualitative measures to ensure a consistent and proportionate approach

Risk response

- Risks are prioritised against defined tolerances
- Appropriate response strategies are applied, including prevention, detection, mitigation or transfer (for example through insurance or contingency planning)
- Controls have defined ownership, governance, reporting and effectiveness criteria

Risk reporting and monitoring

- Risks and mitigation actions are monitored through established risk governance arrangements, with escalation aligned to the Group's risk appetite and tolerance
- Where events occur, root-cause analysis is undertaken to identify opportunities to enhance controls. Ongoing communication and training support continuous risk monitoring and effective escalation across the Group

Audit and assurance

- Internal Audit performs risk-based assurance in accordance with the annual audit plan approved by the Audit Committee
- Second-line teams undertake assurance activities aligned to business and regulatory requirements
- Ongoing dialogue with the business supports the identification and implementation of process and control improvements, with the audit plan aligned to principal risks and updated throughout the year as the risk profile evolves

Principal risks

The Board defines principal risks as the most significant risks to the Group, including those that could impact performance, business model or long-term solvency and liquidity. Risks are considered over different time horizons and are classified as short term (up to two years), medium term (two to five years), or long term (over five years).

The principal risks disclosed in this Annual Report are not exhaustive or ranked. Emerging risks are monitored through ongoing horizon-scanning activities. Each principal risk aligns with a risk category, External, Strategic, Operational or Compliance, and may affect one or more of our strategic priorities.

Principal risk assessment

Risks with the potential to impact the Group's strategic objectives are identified, monitored and managed on an ongoing basis, considering both internal and external factors. Principal risk updates are provided to the Risk and Audit Committees at least twice annually. These reviews consider the nature and description of each principal risk, movements over the period, risk tolerance, related risks and the effectiveness of mitigating actions. When a risk is assessed as operating outside tolerance, additional mitigation plans are developed and monitored through established governance arrangements until the risk is brought back within acceptable limits.

Strategic risk

Using our Principal Risk Framework and risk management process, Group Risk supports business functions in embedding risk management within their annual strategic planning process prior to Board approval. Scenario analysis and risk appetite mechanisms are applied to identify key mitigating actions required to manage strategic risks effectively.

The Board reviewed the risks embedded within the strategic plans in October 2025 and March 2026.

Emerging risks

The Board considers emerging risks to be still evolving, with uncertain likelihood and impact. Emerging risks are assessed on an ongoing basis alongside principal risks as part of the Group's risk management process. Horizon scanning is undertaken through a combination of top-down and bottom-up risk workshops with internal stakeholders, participation in industry forums and engagement with specialist professional consultants where appropriate.

Review of principal risks and the Risk Management Framework

The Risk Committee endorsed the half-year and year-end risk assessment of the Group's principal and emerging risks in October 2025 and April 2026, respectively. These assessments were subsequently approved by the Audit Committee in November 2025 and May 2026, respectively. There were no changes made to the Group's principal risks during the year.

During the year, the following principal risk movements were identified:

Risk increasing

- Geopolitical risk increased, reflecting heightened global volatility and disruption across energy markets, trade routes and the broader macroeconomic environment. While near-term impacts on the Group have been limited, ongoing uncertainty may give rise to longer-term exposure, which continues to be actively monitored and mitigated
- Cybersecurity risk increased, reflecting an elevated threat landscape characterised by more frequent, sophisticated and disruptive attacks across the retail and luxury sectors. The Group continues to strengthen its resilience through enhanced monitoring, employee awareness programmes, and investment in security infrastructure

Risk decreasing

- People risk decreased, reflecting organisational changes implemented during the year, supported by improved role clarity, stronger collaboration and increased workforce stability

Principal risk summary

Principal risk	Tolerance	Movement	Link to strategy				Included in the viability assessment	Category
			Brand	Product	Distribution	Culture		
1. Financial Risk	Low*	↔			D		V	External
2. Geopolitical Uncertainty	Moderate	↑			D		V	
3. Climate Change	Low	↔	B	P	D		V	Strategic
4. Global Consumer Demand	Moderate	↔	B	P	D	C	V	
5. Image and Reputation	Low	↔	B	P	D	C	V	
6. Strategic Transformation	Moderate	↔	B	P	D	C	V	
7. Cybersecurity	Low	↑	B	P	D	C	V	Operational
8. Supply Chain	Low	↔	B	P	D		V	
9. IT Operations	Moderate	↔	B	P	D	C	V	
10. People	Moderate	↓				C		Compliance
11. Intellectual Property and Brand Protection	Low	↔	B					
12. Regulatory Risk and Ethical/ Environmental Standards	Low	↔				C	V	

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

Strategic pillars

- B** (Brand) Timeless British Luxury
- P** (Product) Lead with Outerwear
- D** (Distribution) Align Distribution with Product and Customer Strategy
- C** (Culture) Reignite a High-performance Culture

Risk movement

- ↔** Risk has remained stable since the prior financial year
- ↑** Risk has increased since the prior financial year
- ↓** Risk has decreased since the prior financial year

Viability assessment

- V** Risk included in the viability assessment

Risk tolerance

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

External risks

1. Financial Risk



Risk tolerance: Low*

Burberry's global operations are exposed to risks from currency volatility, interest rate fluctuations and credit exposure with wholesale partners, suppliers and financial institutions. Foreign exchange volatility could affect reported results, while movements in interest rates or borrowing positions may impact financial performance. Insufficient liquidity or higher leverage could result in increased financing costs and limit funding available to support operations.

Mitigating actions

- Hedging of certain external purchases of goods and intra-group balances using financial instruments
- Monitoring the overall impact of translation exchange movements to inform guidance provided to shareholders
- Treasury and Group Finance, under the oversight of the Treasury Committee, monitor the Group's foreign currency and interest rate exposures, as well as its liquidity risk
- The Treasury Committee oversees the Group's cash position and financing requirements, ensuring sufficient liquidity is maintained to meet foreseeable needs and close out market positions
- Cash flow and liquidity positions are regularly reported to the Board
- Scenario testing is performed across the four-year financial plan, incorporating a range of risk scenarios which assess impact on cash flow and liquidity
- The financial position of third parties is reviewed before engaging in contractual agreements, receiving management information to review their financial positions regularly
- A Revolving Credit Facility (RCF) facility is maintained
- Further details on the approach to managing foreign exchange, interest rates and liquidity are given in note 26 to the Financial Statements

2. Geopolitical Uncertainty



Risk tolerance: Moderate

The Group operates in a wide range of markets and is exposed to geopolitical uncertainty stemming from political instability, conflicts, civil unrest, terrorism and trade restrictions. Geopolitical instability could affect our ability to source and operate within markets, adversely impacting our customers, people, brand and reputation.

Mitigating actions

- External partners are engaged to support our specialist teams with horizon scanning and monitoring of geopolitical developments relevant to our operations. Where a geopolitical incident occurs, the Incident Management Framework is activated to assess severity and take appropriate remedial actions
- Geopolitical updates, scenario analysis and deep-dive assessments are reported to the Risk Committee, Audit Committee and, where appropriate, the Board
- Assessment of geopolitical risk is also incorporated into approval processes for investments and new growth opportunities, including store expansion and franchise or wholesale partnerships
- Our Onboarding Risk Framework includes geopolitical considerations in the selection of suppliers and vendors in our supply chain
- The Group's global footprint across multiple customer segments and regions supports diversification and reduces reliance on any single customer group or geography
- Crisis management simulations are conducted, with scenario planning informed by critical and emerging risks facing the business
- Cross-functional scenario modelling is conducted based on geopolitical developments, for example, tariff changes

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

Strategic risks

3. Climate Change



Risk tolerance: Low

Market and reputational risks arising from climate change may adversely affect demand for our products or influence investor and stakeholder expectations. Evolving climate-related regulations, including carbon pricing and enhanced Environmental, Social and Governance (ESG) disclosure requirements could increase operating and compliance costs, with failures to comply potentially resulting in financial penalties and reputational damage.

Mitigating actions

- Our response to managing climate-related risks is detailed within our TCFD section from pages 46 to 55

4. Global Consumer Demand



Risk tolerance: Moderate

Misalignment between global inventory planning and consumer demand could impact our profitability. Consumer demand and spending in the luxury market are influenced by external factors, including macroeconomic conditions (including inflation), extreme weather and public health crises. Demand is also dependent on Burberry's brand relevance, shaped by design, perceived quality, breadth of range, pricing, distribution, marketing effectiveness, customer experience, competitive dynamics and sustainability preferences.

Mitigating actions

- Industry specialists provide insights on emerging risks, consumer trends, market outlook and growth opportunities, informing inventory planning, marketing and financial strategies
- Store performance and regional market dynamics are reviewed to guide commercial investment
- Product range planning, balancing carry-forward, replenishment and newness are informed by previous seasonal performance, regional inputs on trends, demand forecasts, feedback and competition
- Pricing architecture spans tiers to reach a broad luxury audience, with execution reviewed and aligned to currency and market movements
- Customer journeys are monitored through KPIs (for example, Net Promoter Score) to drive improvements and track strategic progress
- Enhancement of cross-channel customer engagement model and using an AI-driven clienteling programme to enhance personalisation, engagement and retention

5. Image and Reputation



Risk tolerance: Low

Unfavourable incidents, unethical behaviour, failure to demonstrate cultural and social sensitivity or negative media coverage relating to the Group's people, practices, products or third-party suppliers could damage the Group's image and reputation. This could lead to a reduction in sales or loss of customers, negatively impacting the value of our brand.

Mitigating actions

- Governance of reputational risks, issues and mitigations overseen by the Ethics, Sustainability, Risk and Audit Committees
- Due diligence is completed prior to engaging third-party collaborators and risk assessments are performed ahead of all marketing campaigns, runway shows and events
- Strict approval processes and editorial controls are embedded to ensure all product and content is reviewed and signed off prior to external release
- Sustainability, cultural and ethical practices are embedded throughout the organisation by means of training and guidance materials provided to support our teams
- Annual mandatory training is provided and monitored to ensure all employees and relevant third parties adhere to the Code of Conduct
- An Incident Management Framework is maintained, which includes continuous monitoring of social networks and response procedures
- Ethical audits are completed to ensure supply chain partners meet our required standards

6. Strategic Transformation



Risk tolerance: Moderate

Failure to successfully deliver organisational transformation, including delivering and sustaining the benefits of the programme to foster resilience and commercial growth, could result in underperformance against our peers.

Mitigating actions

- The Executive Committee reviews the delivery of strategic programmes, including assessing progress, risks, dependencies, impacts and deviations from targets
- The Executive Committee oversees aligned workstreams and works collaboratively across functions, enabling transparent communication, timely escalation and effective decision-making
- Partnering with topical specialists, the transformation programme frequently scans for changes in the external environment which may impact the strategy and conducts benchmarking of the business's capabilities and performance against peers and the market

Operational risks

7. Cybersecurity



Risk tolerance: Low

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

Mitigating actions

- Ongoing enhancement of our 24/7/365 global security monitoring and analytics capability, supported by security incident response plans, processes and attack simulations
- Solutions are in place to help detect personal and sensitive data loss, including robust access management controls
- Second-line assurance checks are conducted with reporting on control effectiveness to executive and IT management
- Governance is provided through a cross-functional Cybersecurity Steering Group with executive membership and sponsorship. Specialist steering groups oversee emerging data regulations
- Enhancing business resilience through IT Disaster Recovery and Business Continuity plans and tests
- A security-aware culture is promoted through mandatory training, awareness activities and phishing simulations
- Maintenance of business financial controls to support fraud detection/prevention
- Enhancement of our third-party due diligence and risk reporting capabilities
- Ongoing focus on IT preventative maintenance activities

8. Supply Chain



Risk tolerance: Low

Internal and external factors may disrupt the sourcing, manufacturing, procurement or distribution of products on a timely basis at the required quality, cost, quantity or ethical standards. Potential causes include critical path delays, extreme weather, natural hazards, geopolitical events, terrorism, strikes, social unrest, cyberattacks, supplier insolvency, IT outages, data loss, property damage or infectious diseases. This could disrupt production or deliveries, causing financial and reputational harm.

Mitigating actions

- A documented raw material sourcing strategy defines approved country of origin and sourcing guidance
- The Group has a defined Onboarding Risk Framework for the selection of new vendors and suppliers
- A detailed critical path aligns seasonal delivery targets with key design milestones, including prototype review and engineering validation
- Responsible Business Principles and the Responsible Raw Materials Sourcing Policy are embedded in the Code of Conduct and supplier contracts
- Manufacturing and distribution network structures are reviewed to reduce dependency on key sites and suppliers
- Product suppliers and vendors are subject to quality control programmes, including site inspections, independent product testing and receipt/dispatch checks to ensure regulatory, chemical and safety compliance
- Supply chain partners are risk assessed and subject to announced and unannounced audits of compliance with Ethical Trading Standards, with findings monitored digitally
- Global shipments and delivery performance are tracked to support forward planning and timely issue resolution
- Business Continuity plans cover major manufacturing and distribution sites, supported by a Minimum Viable Company (MVC) assessment to identify the most time-critical processes
- A comprehensive insurance programme helps mitigate the financial impact of certain supply chain-related events, including fire, flood, extreme weather, product liability and associated losses

9. IT Operations



Risk tolerance: Moderate

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

Mitigating actions

- An IT operating model and Business Demand Forum have been established to help align technology with the Burberry Forward strategy and functional priorities
- A governance framework is embedded with executive representation to support IT investment decisions, key risk management and operating budgets
- The Group continuously implements controls to improve the operation of IT systems, including preventative maintenance, landscape health and third-party management
- Business resilience is enhanced through IT Disaster Recovery and Business Continuity plans and tests. An Incident Management Framework is in place to report, escalate and appropriately respond to incidents
- An AI Steering Committee and a Demand Forum have been established to govern and guide the deployment of AI across the organisation
- Continued simplification of our technology landscape, focusing on a resilient and well controlled architecture supported by strategic partners

10. People



Risk tolerance: Moderate

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

Mitigating actions

- The Executive Committee and senior leaders review the talent and capabilities required to support the delivery of our Burberry Forward strategy, aligning them with evolving business needs, with specific focus on development and internal movement of talent
- Our reward philosophy focuses on providing all colleagues with a competitive total reward package which includes fixed pay, variable pay linked to performance and a suite of market-aligned benefits. Regular pay analysis is conducted to ensure our reward offering remains competitive
- All employees have access to our digital learning platform, providing flexible on-demand resources. Our leaders and line managers are supported through our tailored B:Leaders and B:Managers training programmes
- Our Diversity, Equity and Inclusion Policy and practices are regularly reviewed. Industry best practice is used to ensure inclusive hiring and to deliver the initiatives that are most important to our colleagues
- Colleague engagement is supported through global and functional town halls, engagement groups and surveys, enabling us to listen to colleagues, capture feedback and respond through targeted actions

Compliance risks

11. Intellectual Property and Brand Protection



Risk tolerance: Low

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

Mitigating actions

- Our Brand Protection Policy is available to all colleagues and is reviewed annually to ensure relevance
- Brand protection enforcement is conducted globally. The Brand Protection team partners with enforcement agencies, digital and social media platforms, external lawyers and peer brands to disrupt the flow of counterfeit and infringing products by monitoring the market, reducing visibility of counterfeits and infringing items, and enforcing to source level where possible. This includes online monitoring and take-down activities, legal action where appropriate and agency training provided by the Brand Protection team
- In addition to registering designs across all relevant markets, existing branding and new brand signifiers are protected by trademarks and copyright
- The dedicated Brand Protection team partners with Product Design and Creative Content teams to ensure that our products and content respect the rights of third parties and to establish adequate protections

12. Regulatory Risk and Ethical/ Environmental Standards



Risk tolerance: Low

In the jurisdictions in which Burberry operates, the Group complies with laws and regulations regarding products, compliant use of technology, corporate fraud, anti-bribery and corruption, anti-money laundering, competition, data, corporate governance, employment, ESG, tax, trade compliance, sanctions, human rights and employee and customer health and safety. Changes to laws and regulations, non-compliance or a major compliance breach could have a material impact on our business operations, reputation and/or financial performance.

Mitigating actions

- Specialist corporate and regional teams, supported by third-party advisers where required, provide guidance on compliance with applicable laws, tax requirements, and ethical and business policies. These teams support colleagues in understanding relevant obligations and report to specialist committees and the Board as appropriate
- The Code of Conduct sets out the standards expected of colleagues and third parties to ensure lawful and ethical behaviour in line with Burberry's values. Mandatory annual training is provided to colleagues, and the Code of Conduct forms part of contractual arrangements with supply chain partners and other key third parties
- Supply chain vendors, suppliers and subcontractors undergo risk-based due diligence, supported by an Ethical Trading Programme that includes announced and unannounced audits. Third-party performance is monitored against our Human Rights Policy and governance framework
- The Global Health and Safety Policy defines the Group's commitments to safety standards, hazard identification and continuous improvement. A global risk assessment process covers retail, corporate and supply chain environments, with quarterly reviews and oversight by the Global Health and Safety Committee, including consideration of incident and audit trends
- The Group promotes a strong speak-up culture, supported by the Burberry Resolution Hub and the Burberry Confidential Whistleblowing Line, available to employees and supply chain partners. These mechanisms support the identification and prevention of misconduct and fraud involving the Group or associated third parties
- International tax developments are monitored closely, with the Group's Tax strategy reviewed annually by the Audit Committee. Trade compliance is managed through the Group's Authorised Economic Operator (AEO) programme, supported by third-party specialists
- A monthly fraud investigation forum reviews emerging risks and supports the prevention and detection of fraudulent activity across the organisation

VIABILITY STATEMENT

Corporate planning process

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

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

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

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

Assessment of prospects

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

This financial year has been a meaningful inflection point with a return to positive comparable sales growth. Our strategy is working and as we look ahead, our focus is on disciplined execution of Burberry Forward to take advantage of the opportunities for growth. With increased brand relevance and product authority, Burberry is firmly positioned for sustainable profitable growth.

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

The Group's strategy is set out on page 17.

The Group's key priorities for FY 2026/27 are a continued focus on the disciplined execution of Burberry Forward. To drive Burberry forward, we have optimised our operating model and are improving our ways of working across the organisation. Throughout our retail network we are focused on improving productivity and we are operating with greater cost discipline across the organisation, driven by the mindset of saving to re-invest and fuel growth.

We have returned to positive comparable sales growth and reignited our brand momentum, supported by strong cash generation and balance sheet strength. We remain confident that our strategic plan will improve our performance and drive long-term value creation.

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

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

In assessing the viability of the Group, the Board has carried out a robust assessment of the principal risks of the Group, as set out in the Risk report on page 95, and the principal risks and uncertainties as set out on pages 99 to 103.

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

Basis of assessment

The assessment of viability has been made with reference to the Group's current position and expected performance over a three-year period to March 2029. This is considered appropriate for use by the Directors because:

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

Scenarios

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

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

It reflects FY 2026/27 and the subsequent two-year period to March 2029.

As a sensitivity, this central planning scenario has been flexed by an 18% downgrade to revenues in FY 2026/27 and a 14% reduction in revenues across the full three-year period, as well as the associated consequences for EBITDA and cash.

Management considers this represents a severe but plausible downside scenario appropriate for assessing going concern and viability. This was designed to test an even more challenging trading environment as a result of geopolitical and macroeconomic uncertainty together with the potential impacts of the Group's other principal risks, as described on pages 99 to 103.

For the purposes of the reverse stress test, we have considered the plausibility of a scenario that erodes the remaining cash headroom by reference to the lowest cash level in the annual business cycle. This test identified that the amount of revenue decline required on top of the severe but plausible scenario before the Group requires additional fundraising over the three-year period to March 2029 was, in the Group's opinion, implausible.

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

- An increase in geopolitical tension which causes consumer demand challenges and additional inflationary impacts compared to the central planning model
- A severe impact arising from a more severe and prolonged reduction in the GDP growth assumptions across the markets in which we operate combined with a reduction to our global consumer demand arising from a change in consumer preference compared to our central planning scenario
- A significant reputational incident such as negative sentiment propagated through social media
- The impact of a business interruption event, resulting in a two-week interruption arising from the supply chain impact and a longer interruption to our digital site
- The occurrence of a one-time physical risk relating to climate change in FY 2027/28 and the materialisation of a severe but plausible ongoing market risk relating to climate change in line with a scenario reflecting a global temperature increase aligned with a Net Zero 2050 scenario
- The payment of a settlement arising from a regulatory or compliance-related matter
- The execution risk of not delivering the anticipated future cost savings from the Burberry Forward transformation programme
- A short-term impact of a 10% weakening in a key non-sterling currency for the Group before it is recovered through price adjustment

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

Funding

In assessing the viability of the Group, the Directors have also considered the Group's current liquidity and available facilities (set out in note 26 of the Financial Statements), financial risk management objectives and hedging activities (set out in note 26 of the Financial Statements). In our central planning and severe but plausible downside scenarios, the Group maintained the necessary liquidity levels.

The Group has a five-year £450 million unsecured sterling bond which is due for repayment in June 2030, outside the going concern and viability period.

The Group has a £75 million RCF which is currently drawn and due for repayment in March 2028. The viability modelling includes this being repaid with available cash resources in all scenarios.

The Group also has access to a £300 million RCF, currently undrawn and not relied upon in the viability assessment.

Conclusion

Based on this assessment, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities over the period to March 2029.

The Strategic Report up to and including page 105 was approved for issue by the Board on 13 May 2026 and signed on its behalf by:

Gemma Parsons
Company Secretary