



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

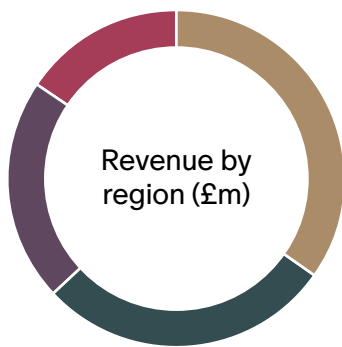
5.9p

(FY 2024/25: (20.9)p)

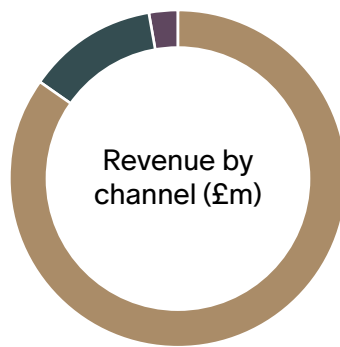
Cash (net of overdrafts)*

£614m

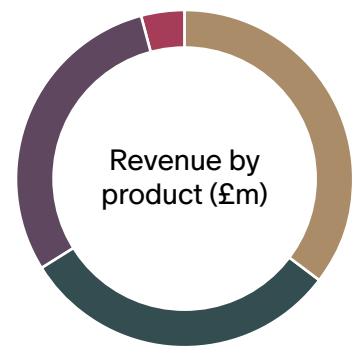
(FY 2024/25: £708m)



	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

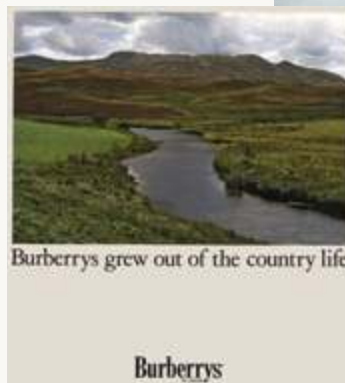
Celebrating the Year of the Horse, our campaign drew on one of our most instantly recognisable house codes, the EKD. Introduced around 1901 following a public competition, the emblem is imbued with symbolism. The knight represents honour, the shield protection and the lance reform. The banner reads 'Prorsum', 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.



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-Alttagamma Luxury Goods Worldwide Market Study (24th Edition).



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

OUR STRATEGY OVERVIEW

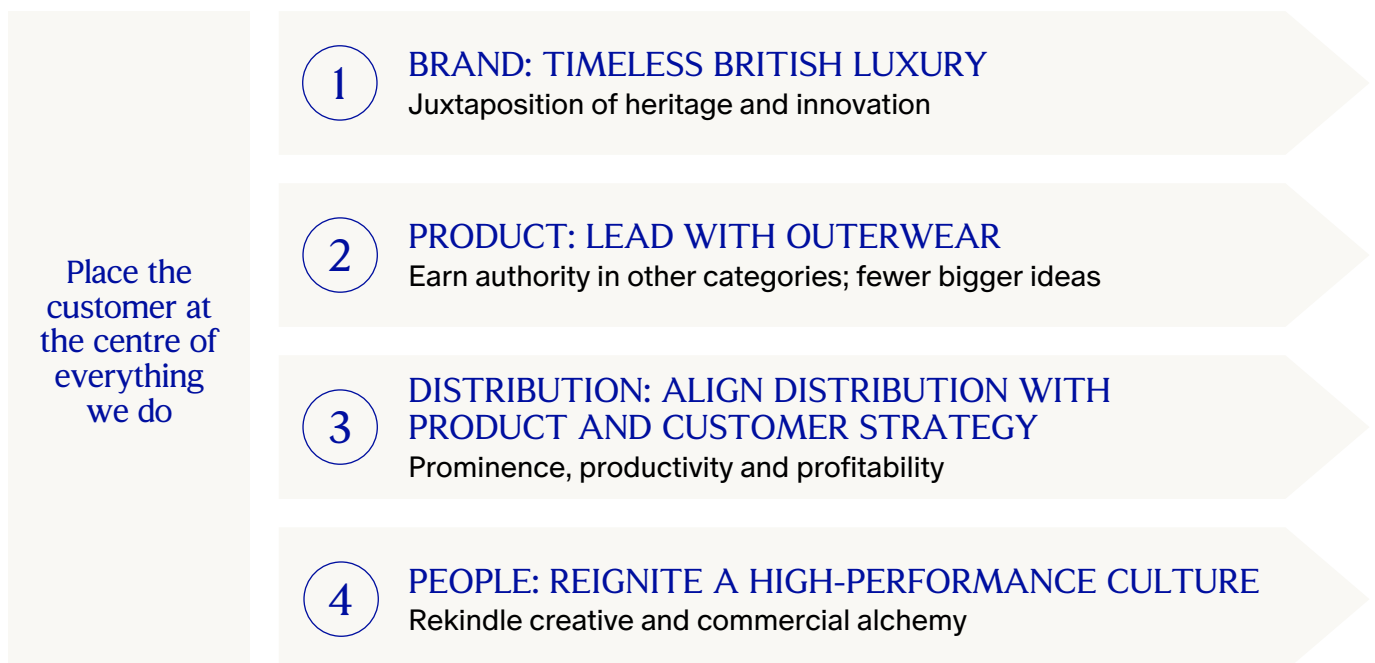
In November 2024, we launched Burberry Forward, our strategic plan to reignite brand desire, improve performance and drive long-term value creation. With our customers at the centre of everything we do, we are leveraging our strengths with a disciplined approach and a range of products to attract a broad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



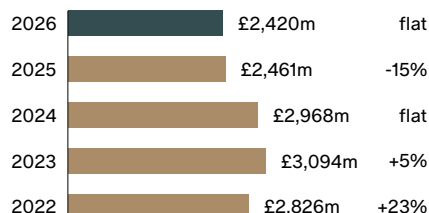
Rubuen Bilan-Carroll for Winter Wardrobing 2025, photographed by Maxime La.

FINANCIAL MEASURES

Revenue growth*

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

flat



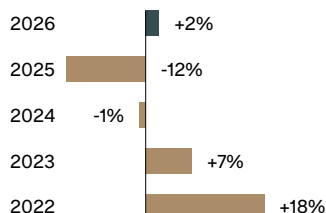
Performance

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%



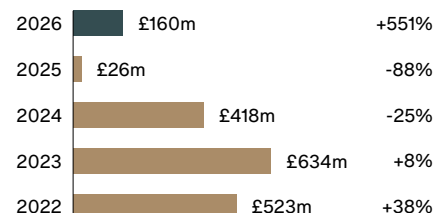
Performance

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%



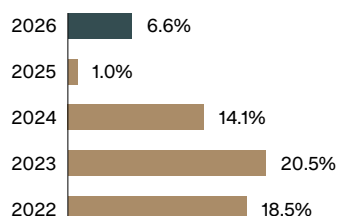
Performance

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%



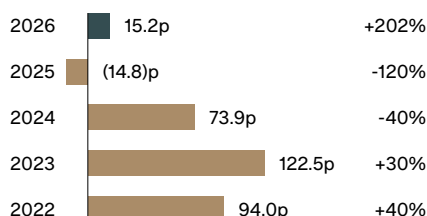
Performance

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%



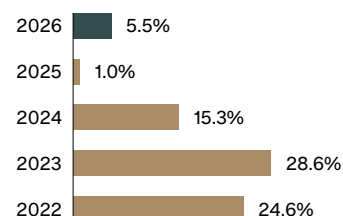
Performance

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

- EMEA 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*

	Directly operated stores				Franchise stores
	Stores	Con-cessions	Outlets	Total	
At 28 March 2026					
Asia Pacific	29	82	11	122	10
Greater China	92	8	11	111	–
EMEA	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> <tr> <th>Period ended YoY%</th><th>52 weeks ended 28 March 2026</th><th>52 weeks ended 29 March 2025</th></tr> <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> </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> <tr> <th>Period ended £m</th><th>52 weeks ended 28 March 2026</th><th>52 weeks ended 29 March 2025</th></tr> <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> </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																		

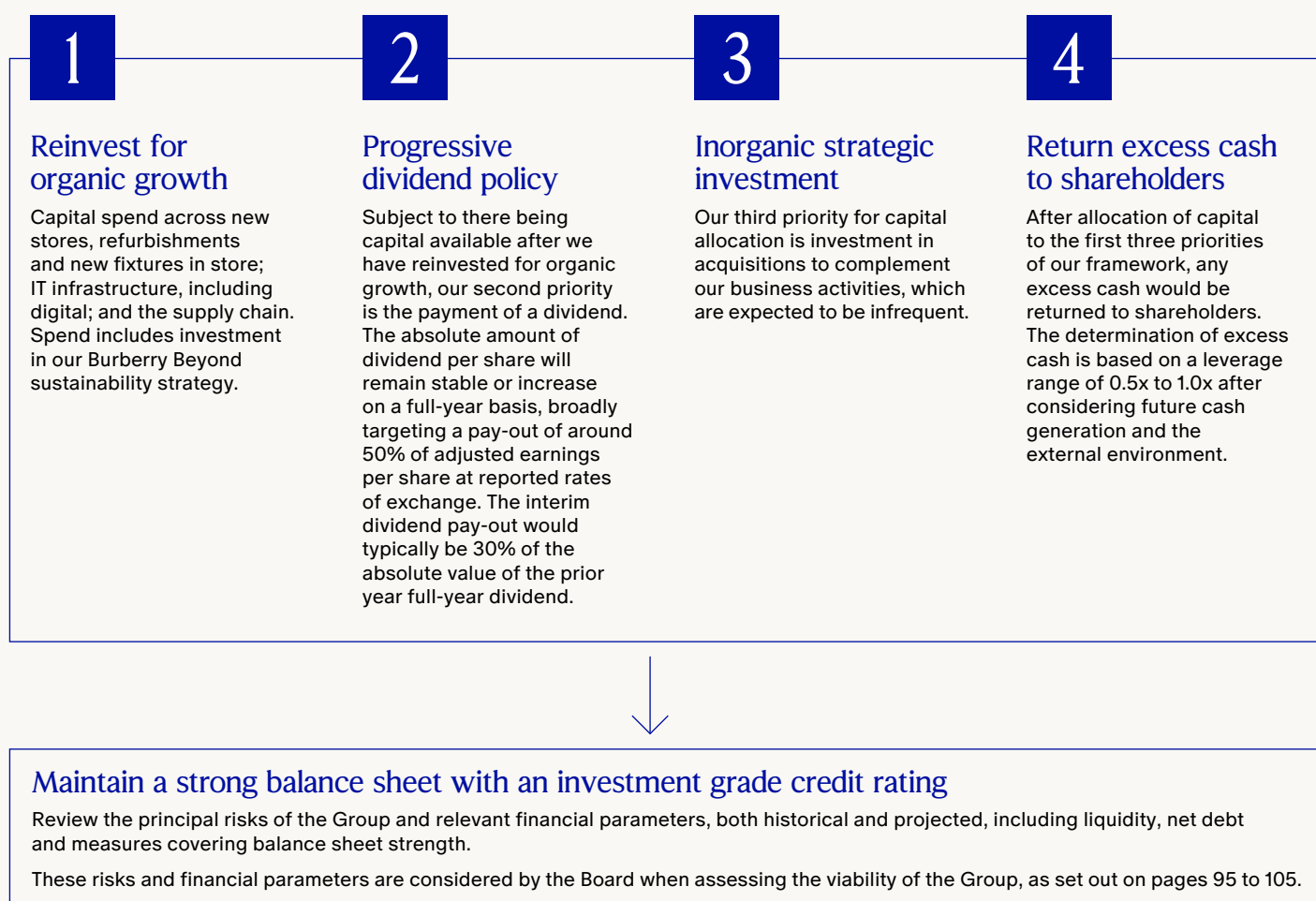
APM	Description and purpose	GAAP measure reconciled to																					
Cash Conversion	Cash conversion is defined as free cash flow pre-tax/adjusted profit/(loss) before tax. It provides a measure of the Group's effectiveness in converting its profit/(loss) into cash.	Net cash generated from operating activities: <table> <tr> <th>Period ended £m</th><th>52 weeks ended 28 March 2026</th><th>52 weeks ended 29 March 2025</th></tr> <tr> <td>Free cash flow</td><td>141</td><td>65</td></tr> <tr> <td>Tax paid</td><td>45</td><td>43</td></tr> <tr> <td>Free cash flow before tax</td><td>186</td><td>108</td></tr> <tr> <td>Adjusted profit/(loss) before tax</td><td>94</td><td>(37)</td></tr> <tr> <td>Cash conversion</td><td>197%</td><td>n/a</td></tr> </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.	Cash net of overdrafts: <table> <tr> <th>Period ended £m</th><th>As at 28 March 2026</th><th>As at 29 March 2025</th></tr> <tr> <td>Cash net of overdrafts</td><td>614</td><td>708</td></tr> <tr> <td>Lease liabilities</td><td>(955)</td><td>(1,081)</td></tr> <tr> <td>Borrowings</td><td>(511)</td><td>(738)</td></tr> <tr> <td>Net debt</td><td>(852)</td><td>(1,111)</td></tr> </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																					
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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.	Operating profit/(loss): <table> <tr> <th>Period ended £m</th><th>52 weeks ended 28 March 2026</th><th>52 weeks ended 29 March 2025</th></tr> <tr> <td>Operating profit/(loss)</td><td>115</td><td>(3)</td></tr> <tr> <td>Adjusting operating items</td><td>45</td><td>29</td></tr> <tr> <td>Amortisation and impairment of intangible assets</td><td>48</td><td>58</td></tr> <tr> <td>Depreciation and impairment of property, plant and equipment</td><td>114</td><td>122</td></tr> <tr> <td>Depreciation and impairment of right-of-use assets</td><td>227</td><td>277</td></tr> <tr> <td>Adjusted EBITDA</td><td>549</td><td>483</td></tr> </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.



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



BURBERRY

CHELSEA
ENGLAND

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.

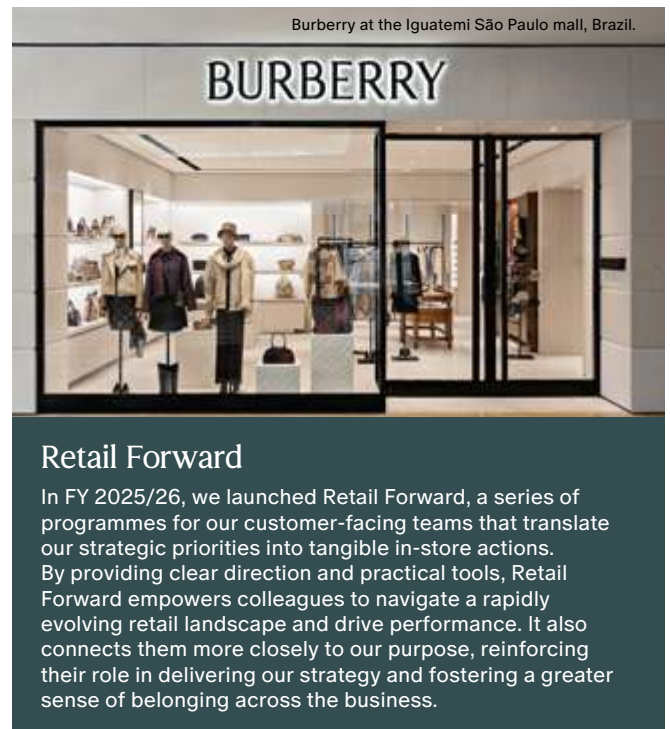
4. Purpose and Belonging

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

(a) The likely consequences of any decision in the long term	The decisions taken by the Directors are aimed at ensuring Burberry has a stable and viable future. The 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. Further information on the global luxury market can be found on page 14. Further information on principal risks can be found on page 97. Further information on key decisions can be found on page 119.
(b) Interests of employees	Burberry's people, whether direct colleagues or people in the supply chain, are fundamental to the success of our business. The Board's decisions are aimed at fostering a 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. Further information on our people can be found on page 33. Further information on the Burberry Forward pillar to Reignite a High-performance Culture can be found on page 24. Further information on how the Board engages with employees can be found on page 115.
(c) Fostering the company's business relationships with suppliers, customers and others	Customers are at the 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. Further information on how we engage with our customers can be found on page 39. Details of the Burberry Forward strategy can be found on page 17 as well in the Business Update section on pages 18 to 24. Further information on supplier relationships can be found on page 40.
(d) Impact of operations on the community and environment	Acting responsibly with respect to the environment and the communities in which we operate is a key focus for Burberry, as reflected in the Board's decision to approve new sustainability targets and our Climate Transition Plan. 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.
(e) Maintaining a reputation for high standards of business conduct	The Board periodically reviews and approves Burberry's Code of Conduct and other key policies aimed at upholding the highest standards of business conduct. Further information on business conduct at Burberry can be found on pages 91 to 93.
(f) Acting fairly between members of the Company	When making decisions, the Board considers which outcomes will support Burberry's long-term future and promote the interests of the Company's members as a whole. In this way, Burberry acts fairly between members. Further information on the Board's engagement with shareholders can be found on page 39.

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
 Customers 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.	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.	We engage with our customers through messaging on products, marketing campaigns, social media, Company websites, global consumer research and in-store events. The Board receives customer insights through presentations from the CEO and 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. 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.	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. 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. 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.
 Shareholders Individuals and institutions who own shares in Burberry and invest in the Company for long-term sustainable value.	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.	We engage directly with shareholders through quarterly trading updates, results presentations, investor meetings and the AGM. 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.	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.

Stakeholder	Why we engage	How we engage	Example outcomes of the engagement
 People Our colleagues work across our global business, representing a wide range of roles from our Retail teams to corporate functions and supply chain operations.	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.	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.	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.
 Partners Our partners include a broad range of suppliers, companies and third-party retailers who we work with across our value chain.	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.	The Board receives briefings and updates on how we are engaging with our partners to achieve our sustainability targets and updates on ethical audits across our supply chain.	Our long-term partners support our focus on core categories, driving operational efficiency, 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.
 Governments 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.	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.	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.	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.
 Communities Communities where we operate and those supported through our supply chain and charitable initiatives.	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.	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.	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.

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

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.	Definition	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.	Timing of impacts	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

Burberry Annual Report 2025/26

51



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



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

Burberry Annual Report 2025/26

53

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](https://www.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](https://www.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 [Burberryplc.com](https://www.burberryplc.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 Burberryplc.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 Burberryplc.com.

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

^A This metric was subject to external independent limited assurance by Ernst & Young LLP (EY). For the results of that assurance, see EY's Independent Limited Assurance Report and Burberry's Sustainability Basis of Reporting FY 2025/26 on Burberryplc.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 Burberrypc.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. Conformant chemicals are those listed as such on ZDHC platforms. Other chemicals may not be registered and conformance information is not readily available. Conformity applies to the entire facility's chemical inventory and is not specific to Burberry production.

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 Biodiversity and Ecosystems section pages 67 to 68
	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	
	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 Biodiversity and Ecosystems section, pages 68 to 70
	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	

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](https://www.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 [Burberryplc.com](https://www.burberryplc.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, wood 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 [Burberryplc.com](https://www.burberryplc.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 [Burberryplc.com](https://www.burberryplc.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% ^A	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.

^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 Burberrypplc.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 Burberrypplc.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 Vestiaire 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](https://www.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.

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.

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.

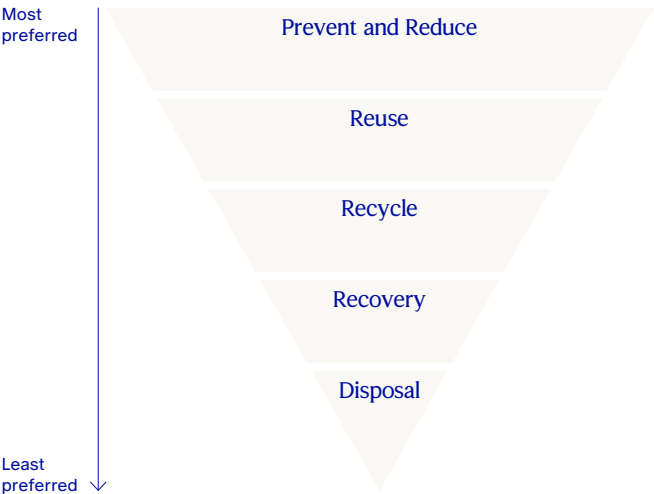
1. Unnecessary single-use plastic packaging is defined as plastic packaging that can be avoided or replaced without impacting the functionality of protective packaging.
2. Necessary single-use plastic packaging is defined as single-use plastic packaging that cannot be avoided or replaced given its essential 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 Burberrypkc.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.

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

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

- **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](https://www.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 Burberrypkc.com.

More information on our methodology can be found in our Sustainability Basis of Reporting FY 2025/26 on Burberrypkc.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 [Burberryplc.com](https://www.burberryplc.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 [Burberryplc.com](https://www.burberryplc.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 [Burberryplc.com](https://www.burberryplc.com) and shared with new Business Associates during onboarding. They are available to colleagues via Burberry World, our internal colleague intranet.

Targets

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 EMEA 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 [Burberryplc.com](https://www.burberryplc.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 [Burberryplc.com](https://www.burberryplc.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 EMEA 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%	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 Burberryplc.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 Burberryplc.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%

- 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.
- 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.

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.



Burberry Inspire x Haja Day.

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.

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.

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 Burberrypkc.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 [Burberryplc.com](https://www.burberryplc.com)) also outlines our requirements with respect to packaging, and animal welfare and testing. Our Beauty licensee, Coty, publishes its own Against Animal Testing Policy & Program, which is available on [Coty.com](https://www.coty.com).

Actions

1. Raw materials target progress

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

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 [Burberryplc.com](https://www.burberryplc.com).

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

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

The information listed is incorporated by cross-reference.

Reporting requirement	Policies and standards which govern our approach	Information necessary to understand our business and its impact, policy due diligence and outcomes
Environmental matters	- Global Environmental Policy - Responsible Sourcing Policy - Chemical Management Standards - Code of Conduct	- 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	- Code of Conduct - Our Culture and Values - Global Health and Safety Policy - Ethical Trading Code of Conduct - Global Diversity, Equity and Inclusion Policy	- Directors' Report, pages 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	- Human Rights Policy - Ethical Trading Code of Conduct - Child Labour and Young Worker Policy - Migrant Worker Policy - Data Protection Policies - Information Security Policies - Model Wellbeing Policy - Global Diversity, Equity and Inclusion Policy - Partner Non-Compliance Policy	- Impact section on Burberryplc.com - 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	- Ethical Trading Code of Conduct - Local Stakeholder Engagement Policy - Volunteering and Match Funding	- Impact section on Burberryplc.com - Sustainability at Burberry section, pages 76 to 90
Anti-corruption and anti-bribery	- Anti-Bribery and Anti-Corruption Policy - Cash Acceptance Policy - Fraud Risk Management Policy	- Reflecting the needs of our stakeholders, People, page 40 - Reflecting the needs of our stakeholders, Customers, page 39 - Anti-Bribery and Corruption section, page 92
Additional disclosure		- 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		
11. Intellectual Property and Brand Protection	Low	↔	B					Compliance
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



Lina Zhang for Winter 2025, shot by Sam Rock.

Corporate Governance Statement

Chair's Introduction	108
Board of Directors	109
Executive Committee	113
Corporate Governance Report	114
Monitoring our Culture	116
Principal Areas of Focus for the Board During FY 2025/26	118
Key Decisions During FY 2025/26	119
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

CHAIR'S INTRODUCTION



“Throughout FY 2025/26, the Board remained focused on long-term value creation.”

Dear Shareholder,

On behalf of the Board, I am pleased to present the Corporate Governance Statement for the year ended 28 March 2026. It describes Burberry's corporate governance framework and procedures. It also summarises the work of the Board and its Committees to illustrate how we have discharged our responsibilities this year.

Areas of focus

Throughout FY 2025/26, the Board remained focused on long-term value creation and effective oversight of management's execution of the Burberry Forward strategic plan and recovery of operational and financial performance. This included delivery of the Organising for Growth transformation programme, our reimagined purpose and values and the strengthening of customer and operational priorities. The Board also oversaw the review of Burberry's sustainability targets, including approving the extension of our overall net zero target from FY 2039/40 to FY 2049/50, and the approval of our Climate Transition Plan. Further information on the Board's areas of focus during the year is set out on page 118.

Board changes during FY 2025/26

A number of Board changes happened in the early part of the year. Stella King joined the Board as a Non-Executive Director on 1 April 2025 and Fabiola Arredondo, Sam Fischer and Antoine de Saint-Affrique retired as Non-Executive Directors following the Annual General Meeting (AGM) on 16 July 2025. I would like to thank Fabiola, Sam and Antoine for their service to the Company and the extensive knowledge and experience they brought to Board discussions throughout their tenures. Information on the induction programme for Stella was included in the FY 2024/25 Nomination Committee Report.

Succession planning and the orderly evolution of the Board remain priorities for the Board to ensure continuity of oversight while maintaining an appropriate balance of skills and experience aligned to the Group's strategic direction.

Further information is included in the Nomination Committee Report on page 127.

Board effectiveness

The Board conducted an internally facilitated review of its effectiveness during the year which confirmed that the Board and its Committees continue to operate effectively. Further information on the review process and areas of focus for FY 2026/27 identified through the review are summarised on page 125. An update on our progress against the actions identified in the effectiveness review conducted in respect of FY 2024/25 is also provided on page 126.

As Chair of the Board, one of my principal responsibilities is to undertake an annual review of the performance of my fellow Directors. This review process is essential to ensure that each Board member is able to contribute to the best of their ability, thereby supporting the overall effectiveness and success of the Board.

The Nomination Committee also performed the annual review of Directors' time commitments and independence on behalf of the Board. Further information on its considerations are contained within the Nomination Committee Report on pages 129 to 130.

Culture and employee voice

Culture underpins sustainable performance and stakeholder trust. The Board is responsible for setting the tone at the top of the organisation and ensuring Burberry's culture is aligned with our purpose and values. During the year, the Board continued to prioritise hearing directly from colleagues and understanding their experience of working at Burberry. We do this through a range of channels, including Employee Engagement Surveys, the Global Workforce Advisory Forum and attending town hall meetings which enable open dialogue on matters that are important to colleagues across the Group. These engagements give my fellow Non-Executive Directors and me valuable insight into Burberry's culture, how our purpose and values are experienced in practice and the issues and opportunities colleagues experience as we deliver our strategy. The Global Workforce Advisory Forum meetings, in particular, provide a strong and constructive feedback mechanism and I am grateful to its members for their participation and their candid comments.

Directors' Remuneration Policy

The Burberry Directors' Remuneration Policy was last approved by shareholders in 2023. In line with the Companies Act 2026, which requires shareholder approval at least every three years, Danuta Gray, Chair of our Remuneration Committee, and I undertook an extensive shareholder engagement programme as part of developing our 2026 Directors' Remuneration Policy proposals. Further information on our proposals is set out in the Directors' Remuneration Report on pages 150 to 160.

UK Corporate Governance Code

As set out on page 114, the Board confirms compliance with the applicable principles and provisions of the UK Corporate Governance Code 2024 during FY 2025/26. Good progress has also been made in preparing for compliance with Provision 29 of the Code, which will apply to Burberry from FY 2026/27. Further details regarding our preparedness for Provision 29 are set out in the Audit Committee Report on page 137.

I am pleased with the way our governance processes operated during the year and would like to thank my fellow Board members for their engagement and continued support throughout the year.

Gerry Murphy

Chair

BOARD OF DIRECTORS

Committee key

- C Chair
- A Audit Committee
- N Nomination Committee
- R Remuneration Committee

More information on the Board's skill set can be found on page 129.



Dr Gerry Murphy

Chair



Appointed as Chair: 12 July 2018

Appointed: 17 May 2018

Nationality: Irish/British

Key skills and experience

Gerry brings substantial international and senior management experience to the Board, in addition to in-depth knowledge of managing business transformations. His understanding of UK corporate governance requirements and extensive experience in the retail sector provides the Board with highly relevant and valuable leadership as Burberry continues to focus on delivering long-term sustainable value for all our stakeholders.

Current appointments

- Chair, Tesco plc
- Trustee and Director, The Burberry Foundation
- Senior Advisor, Perella Weinberg
- Mentor, Chair Mentors International

Previous appointments

- Chair: Tate & Lyle plc and The Blackstone Group International (and partner in the firm's private equity investment unit)
- Non-Executive Director: British American Tobacco plc, Merlin Entertainments plc, Reckitt Benckiser plc, Abbey National plc and Novar plc
- CEO: Kingfisher plc, Carlton Communications plc (now ITV), Exel plc and Greencore Group plc
- Mentor, J&A Mentoring



Joshua Schulman

Chief Executive Officer

Appointed: 17 July 2024

Nationality: American

Key skills and experience

Joshua is an accomplished Chief Executive Officer who has held a number of CEO and senior executive roles at global luxury, fashion and retail businesses. His extensive retail industry experience spans over 30 years across merchandising, wholesale and brand management in the USA, Europe and Asia, with a strong track record of delivering brand transformations and driving growth globally. Joshua shares the Board's ambition to build on Burberry's unique British heritage to deliver growth and unlock the brand's full potential.

Current appointments

- Trustee and Director of the Elton John AIDS Foundation

Previous appointments

- CEO: Michael Kors, Coach, Jimmy Choo
- President: Bergdorf Goodman and NMG International
- Non-Executive Director: Farrow & Ball
- Senior executive roles: Yves Saint Laurent, Gucci



Kate Ferry

Chief Financial Officer

Appointed: 17 July 2023

Nationality: British

Key skills and experience

Kate is a highly experienced Chief Financial Officer, having held roles in both public and private companies. In addition to her financial acumen, Kate has extensive experience driving business transformation and strategic development, and a deep understanding of public markets. She has particular expertise in the retail sector, as well as an excellent understanding of the luxury industry. In her early career, Kate was involved in numerous IPOs, including Burberry's in 2002. Kate is a Chartered Accountant.

Current appointments

- Trustee and Director, and Chair of the Audit Committee, British Olympic Foundation

Previous appointments

- Non-Executive Director and Chair of the Audit Committee, Greggs plc
- Chief Financial Officer, McLaren Group Limited
- Group Chief Financial Officer, Talk Talk Telecom Group PLC
- Corporate Affairs Director, DixonsCarphone PLC
- Director within the retail sector equity research team at Merrill Lynch



Orna NíChionna

Senior Independent Director

N R

Appointed: 3 January 2018

Nationality: Irish

Key skills and experience

Orna is a highly experienced Non-Executive Director and brings extensive international business knowledge, particularly in the consumer and retail sectors. She has a passion for sustainability, as demonstrated through her role as Chair of The Eden Trust.

Having co-led the European Retail Practice at McKinsey & Company and subsequently held a number of advisory roles across retail and luxury goods businesses, she has a deep understanding of retail strategy, transformations and operating efficiency.

Current appointments

- Trustee and Deputy Chair, Institute for Fiscal Studies
- Trustee and Chair, The Eden Trust

Previous appointments

- Chair: Founders Intelligence and Soil Association
- Interim Chair, The National Trust
- Senior Independent Director: Saga, Bupa, HMV, Northern Foods and Royal Mail
- Non-Executive Director, Bank of Ireland UK
- Partner, McKinsey & Company and co-lead of its European Retail Practice



Alessandra Cozzani

Independent Non-Executive Director

A N

Appointed: 1 September 2023

Nationality: Italian

Key skills and experience

Alessandra brings to Burberry both financial expertise and a profound understanding of the luxury market, having spent over 20 years at Prada Group. A highly experienced Chief Financial Officer, Alessandra's career spans a variety of finance roles, including financial management and control, accounting, tax, treasury and insurance, as well as investor relations. She started her career as an auditor at Coopers & Lybrand.

Current appointments

- Director, Esselunga SpA
- Non-Executive Director, Brembo N.V.

Previous appointments

- Group Chief Financial Officer and Executive Director of Prada SpA (listed in Hong Kong S.A.R., China), previously Group Investor Relations Director and other financial management roles within Prada Group



Ron Frascch

Independent Non-Executive Director

A N R

Appointed: 1 September 2017

Nationality: American

Key skills and experience

Ron has spent over 30 years working in the retail industry. He has clear strategic acumen, strong leadership skills and wide-ranging experience of working with luxury fashion brands. While at Saks, he was instrumental in developing the company's private-label collections. Ron's merchandising skills and experience within the fashion industry will continue to play a pivotal role as we strengthen our performance in the luxury fashion market.

Current appointments

- Non-Executive Director, Crocs Inc.
- CEO, Ron Frascch Associates LLC

Previous appointments

- Non-Executive Director: MacKenzie Childs and Aztech Mountain
- President and Vice Chairman, Saks Fifth Avenue Inc.
- President and CEO, Bergdorf Goodman
- President of the Americas for an Italian licensing company of luxury fashion brands



Danuta Gray

Independent Non-Executive Director

A N R

Appointed: 1 December 2021

Nationality: British

Key skills and experience

Danuta is a highly experienced Non-Executive Director and Chair with a strong understanding of consumers, technology, sales and marketing within the UK and international business markets gained through her executive career. Her extensive UK plc board experience and understanding of UK governance requirements make her a strong asset to our Board.

Current appointments

- Chair, Croda International plc
- Board member, Employ Autism Development
- Trustee, The Resolution Foundation

Previous appointments

- Chair: Direct Line Insurance Group plc and St Modwen Property plc
- Senior Independent Director, Aldermore Bank plc
- Non-Executive Director and Remuneration Committee Chair: Old Mutual plc and Page Group plc
- Non-Executive Director: Paddy Power plc, Aer Lingus plc and UK Ministry of Defence
- CEO: Telefónica O2 and Executive Director, Telefónica Europe plc



Stella King

Independent Non-Executive Director

N

Appointed: 1 April 2025

Nationality: Italian

Key skills and experience

Stella brings a wealth of luxury industry experience and a deep understanding of Asian consumers, having worked in the Asia Pacific region for more than 30 years. As Chief Chinese Business Officer for Moncler, Stella was responsible for developing strategies to meet the needs of Chinese consumers all over the world. Prior to this role, Stella was President, Asia Pacific for Moncler where she played a pivotal role in driving growth in the region.

Current appointments

- Senior Advisor, FountainVest Group Limited

Previous appointments

- Chief Chinese Business Officer, Moncler
- President Asia Pacific, Moncler
- President Asia Pacific, Sergio Rossi
- Non-Executive Director, Stone Island (part of the Moncler Group)



Alan Stewart
Independent Non-Executive Director

Appointed: 1 September 2022
Nationality: British

Key skills and experience

Alan has extensive corporate finance and accounting experience gained from a variety of industries, including retail and leisure. He has considerable executive leadership experience, including various Chief Financial Officer positions within top FTSE organisations. Alan is currently a member of Chapter Zero, a community of non-executive directors committed to achieving net zero targets, and was a founding member of the Accounting For Sustainability CFO network. His keen interest in sustainability is important to the Board in driving Burberry's climate change strategy. Alan qualified as a chartered accountant with Deloitte.

Current appointments

- Senior Independent Non-Executive Director and Chair of Audit and Risk Committee, Haleon plc

Previous appointments

- Non-Executive Director and Chair of Audit Committee, Diageo plc
- Non-Executive Director and Chair of Remuneration Committee, Reckitt Benckiser Group plc
- Non-Executive Director and Audit Committee Chair, Games Workshop Group
- Chief Financial Officer, Tesco PLC
- Chief Financial Officer, Marks & Spencer PLC



Gemma Parsons
Company Secretary

Appointed: 1 October 2018
Nationality: British
Gemma is a Fellow of the Chartered Governance Institute and has 30 years' company secretarial experience. She is a member of the Chartered Governance Institute's Company Secretaries' Forum and of the Association of General Counsel and Company Secretaries of the FTSE 100 (GC100).

Previous appointments

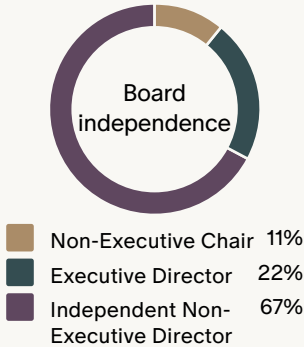
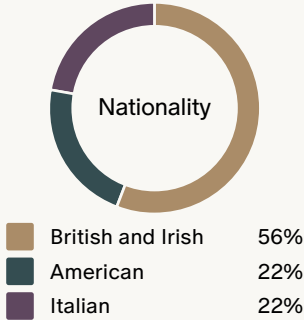
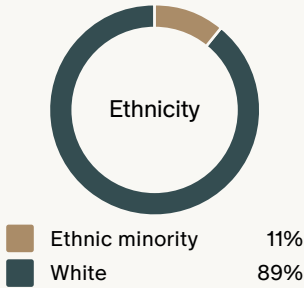
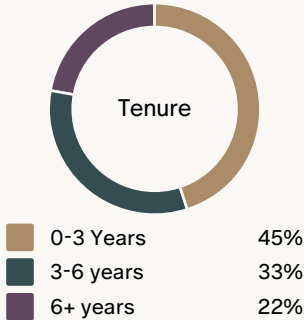
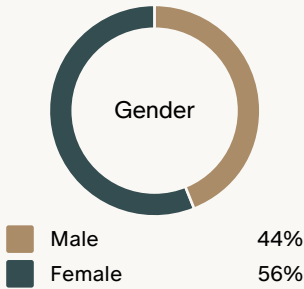
- Company Secretary, The Berkeley Group Holdings plc
- Deputy Company Secretary, Smith & Nephew plc
- Deputy Company Secretary, TSB Banking Group plc

Directors whose tenure ceased during FY 2025/26:

- Fabiola Arredondo stepped down as Non-Executive Director on 16 July 2025
- Sam Fischer stepped down as Non-Executive Director on 16 July 2025
- Antoine de Saint-Affrique stepped down as Non-Executive Director on 16 July 2025

Board composition

As at 13 May 2026



EXECUTIVE COMMITTEE



Joshua Schulman
Chief Executive
Officer



Kate Ferry
Chief Financial
Officer



Charlotte Baldwin
Chief Information
Officer



Matteo Calonaci
Chief Operating and
Supply Chain Officer



**Laura
Dubin-Wander**
President Americas



Claudia Kim
President Asia
Pacific



Jonathan Kiman
Chief Marketing
Officer



Johnattan Leon
Chief Customer
Officer



**Alexandra
McCauley**
Chief People Officer



Paul Price
Chief Product,
Merchandising and
Planning Officer



Edward Rash
General Counsel



Frank van Loon
President EMEA



Josie Zhang
President Greater
China

Changes to the Executive Committee during FY 2025/26

- Charlotte Baldwin joined the Committee on 31 March 2025
- Klaus Bierbrauer was a member of the Committee until 27 February 2026
- Matteo Calonaci joined the Committee on 1 December 2025
- Laura Dubin-Wander joined the Committee on 18 July 2025
- Claudia Kim joined the Committee on 18 July 2025
- Johnattan Leon joined the Committee on 1 December 2025
- Frank van Loon joined the Committee on 18 July 2025
- Josie Zhang joined the Committee on 18 July 2025

CORPORATE GOVERNANCE REPORT

UK Corporate Governance Code compliance

For FY 2025/26, Burberry has applied the principles of the UK Corporate Governance Code 2024 (the Code). The Board also considers that the Company complied in full with the provisions of the Code during the year, save for Provision 29 which will apply from FY 2026/27. The Code is published by the Financial Reporting Council (FRC) and can be found on its website: [frc.org.uk](https://www.frc.org.uk).

This Corporate Governance Report provides an overview of the Board's approach to governance and the work it has undertaken during FY 2025/26. Details on how we have complied with the Code's provisions and applied the Code's principles can be found throughout the Annual Report. Key highlights of the Company's compliance along with cross references to other sections of the Annual Report are detailed below.

How we apply the principles of the Code

	Pages
Board leadership and company purpose	
Chair's introduction	108
Strategic Report	2 to 105
The role of the Board	122 to 123
Purpose, values and culture	116 to 117
Stakeholder and workforce engagement	38 to 40, 115
Division of responsibilities	
Board composition	123, 131
Role of the Chair, Senior Independent Director, Non-Executive Directors and Company Secretary	123
Time commitment, external appointments, independence and tenure	128 to 130
Composition, succession and evaluation	
Appointment to the Board and succession planning	124, 128
Skills, experience and knowledge of the Board	129
Board diversity	130 to 131
Board performance reviews	125 to 126
Audit, risk and internal control	
Auditor independence and effectiveness of the audit	135
Principal and emerging risks	97 to 103
Risk management and internal control framework	97 to 103, 136
Fair, balanced and understandable assessment	135, 137
Viability Statement	104 to 105
Remuneration	
Directors' Remuneration Report	141 to 177
Directors' Remuneration Policy	150 to 160
Engagement with stakeholders on remuneration	141 to 147, 160

Governance and responsibilities

The Board (supported by its Committees) is collectively responsible for how Burberry is directed and controlled. Its responsibilities include:

- Promoting Burberry's long-term success
- Setting its strategic aims and values
- Supporting leadership in delivering strategy
- Supervising and constructively challenging leadership on the operational running of the business
- Ensuring a framework of prudent and effective controls
- Reporting to shareholders on the Board's stewardship

More information on the Company's governance structure can be found on page 121.

Sustainability

Sustainability is an essential element of Burberry's strategy for which the Board is responsible. Accordingly, the Board is also responsible for ensuring its approach to sustainability is integrated into and implemented across the business, reflecting the importance of these topics to the Group and society as a whole. The governance framework of committees and advisory forums (as shown in the diagram on page 121) provides regular updates and key information to the Board to ensure that it is able to make informed decisions. Sustainability is embedded into the remit of the Committees where appropriate. During FY 2025/26, the Board reviewed and approved the revised sustainability targets, including the extension of our overall net zero target from FY 2039/40 to FY 2049/50, and our Climate Transition Plan, which details how we plan to achieve our net zero ambition.

For more information on the Group's environmental and social priorities see pages 36 to 90.

Stakeholder engagement

At Burberry, we recognise that identifying our stakeholders and engaging purposefully is vital for informed decision-making and long-term success. In line with the Code, the Board prioritises understanding the perspectives and values of our key stakeholders, ensuring their voices are reflected in strategic decisions. Examples of key decisions made by the Board during the year and how key stakeholder groups were considered can be found on page 119. For more information on how we engage with our supply chain partners see pages 82 to 87.

Workforce engagement

The Board has chosen to engage with the workforce through the formally constituted Global Workforce Advisory Forum, in accordance with Code Provision 5. This forum facilitates direct dialogue with employees, enabling their perspectives to shape decision-making. The Board uses additional ways to understand employee views, including Employee Engagement Surveys, site visits and town halls. During the year, Board members visited stores and operational sites worldwide, engaging directly with colleagues to gain first-hand insights into local challenges and opportunities.

As discussed on page 34, in FY 2025/26 the Group announced a transformation programme incorporating the Organising for Growth programme. Throughout this process, the Company engaged proactively with employees before, during and following statutory consultation periods across relevant jurisdictions. Employee engagement included regular global, functional and regional town halls, featuring updates from the Chief People Officer, and ongoing dialogue through the Workforce Advisory Forum. These channels enabled employee perspectives to be communicated and considered, supporting transparency and helping to manage cultural and operational impacts across the business.

Shareholder engagement

Our Investor Relations team conducted over 510 meetings with more than 290 investors during the financial year. In addition, our Chair, Independent Non-Executive Directors, Executive Committee and other members of senior management conducted in excess of 130 meetings with around 70 investors. This engagement included presentations to investors and analysts following the release of the Group's quarterly, half- and full-year results (available on the Group's website, [Burberryplc.com](https://www.burberryplc.com)) and meetings with the majority of the Group's 20 largest investors. Topics discussed in investor meetings included governance matters, such as remuneration and capital allocation, as well as strategy, regional performance and financial outlook. The team also arranged specific ESG engagements with investors.

In March 2026, our Chair and Remuneration Committee Chair wrote to our largest shareholders to assist with the development of our 2026 Remuneration Policy. Further information on the consultation process and the proposed changes can be found on page 141.

Our Investor Relations and Company Secretariat teams act as centres for ongoing communication with shareholders, investors and analysts. The Board receives regular updates about the views of the Group's major shareholders from these teams as well as through direct contact.

Supplier engagement

Further information on how Burberry engages with its partners, including suppliers, can be found on pages 38 to 40 and 82 to 87.

Transparency and accountability underpin our approach to shareholder and wider stakeholder engagement. At the 2025 AGM, all resolutions were passed.

Further information on how Burberry has engaged with its key stakeholder groups can be found on pages 38 to 40.

MONITORING OUR CULTURE

The Board is responsible for setting the tone at the top of the organisation and for ensuring Burberry’s culture is aligned with our purpose and values. A strong culture that supports creativity, disciplined execution, ethical conduct and responsible decision-making is essential for Burberry’s long-term success.

How we monitor culture

We monitor culture through a structured framework that considers inputs, signals and outcomes, enabling both forward-looking insight and retrospective assessment.

Inputs include leadership behaviours, tone at the top, policies, training and reward structures designed to reinforce expected behaviours.

Signals include colleague engagement feedback, attrition trends, speak-up activity, conduct metrics and customer indicators, all of which are tracked over time to identify trends and emerging issues.

Outcomes include the impact of culture on business performance, colleague conduct, risk management and stakeholder trust.

The Board’s assessment of culture is supported by four culture indicators which we continued to apply during FY 2025/26, supporting consistent monitoring and year-on-year trend analysis. These are:

- **Purpose and Belonging**, reflecting colleague connection to Burberry’s purpose, heritage and sense of inclusion
- **Accountability and Performance**, focusing on how structures, ways of working and decision-making support effective execution
- **Authentic Leadership**, considering leadership behaviours, integrity and alignment with Burberry’s values
- **Talent at the Centre**, reflecting how the organisation supports the development and engagement of its people

These indicators are informed by a combination of quantitative and qualitative data and are considered consistently over time to support trend-based oversight.

Culture and stakeholder considerations

Further information on our reimagined purpose and values is set out on page 11. Further information on how the Board engages with the workforce and takes colleague considerations into account when making decisions is set out in the section 172(1) statement and stakeholder engagement section on pages 38 to 40. Further information on our culture of belonging is set out on page 77.

Culture insight tools

The Board uses a range of mechanisms to gain deeper insight into Burberry’s culture and colleague sentiment. Feedback received through each tool and forum is gathered and triangulated to help the Board assess how colleagues are feeling.

Global Workforce Advisory Forum	• These sessions, held partly in person and partly online, are attended by the Chair and one other Non-Executive Director to hear directly from colleagues from across the Group on a range of topics relating to employee experience
Employee Resource Groups	• Employee Resource Groups (ERGs) are voluntary, colleague-led groups that help foster a diverse, inclusive culture within Burberry. Current ERGs include Disability and Neurodiversity Inclusion, LGBTQIA+, Women in Tech and Working Parents and Carers
Colleague surveys	• Engagement surveys provide valuable insights into colleague sentiment. By assessing overall job satisfaction, perception of culture, leadership and organisational values, they help identify areas for improvement. As part of our B:Heard Listening Strategy, Burberry hosts two surveys annually: an Engagement Survey and a Pulse Survey
Global town hall feedback	• We encourage colleagues at all levels to ask questions during town halls, and follow up in writing on any unanswered themes. If these are not answered live, we respond in writing following the event. This open feedback loop fosters transparency, builds trust and keeps leadership connected to colleague perspectives
Internal communications platforms	• We leverage our internal communication platforms to measure engagement, reach and cultural alignment. Insights from these platforms help refine our communication strategies, enhance transparency and foster a culture of growth and open communication across the organisation
Learning platforms	• We use our learning platform, Go1, to assess and strengthen a culture of continuous development. We analyse learning trends through participation rates, popular topics and collaboration levels that reveal how well our culture supports growth, innovation and inclusivity

Progress against our culture indicators

Purpose and Belonging

Colleague sentiment strengthened during FY 2025/26. Responses to the annual Employee Engagement Survey demonstrated an increase in belonging, reflecting positive reception of our reimagined purpose and values and enhanced clarity around our Company identity.

New colleague forums, including the UK Corporate Colleague Forum, Colleague Engagement Champions and our global ERGs, have broadened engagement. These forums ensure that our colleagues' voices remain central during a period of strategic change. Colleagues expressed appreciation for the greater transparency, especially during the Organising for Growth programme which led to an improved understanding of the Burberry Forward strategy, supported by initiatives such as the #BurberryExplained campaign, an increased number of global town halls and targeted listening sessions with key teams.

Accountability and Performance

Following the 2024 Employee Engagement Survey, focused actions were proposed on decision-making, role clarity and accountability in response to colleague feedback. The Executive Committee implemented a cross-functional review, which identified six themes: speed; communication; outcome focus; regional versus central impact; consultation and accountability; and customer centricity. These were subsequently shared with colleagues and actions were proposed. The 2025 Employee Engagement Survey showed a material improvement in decision-making, providing evidence of early progress. Steps taken to improve organisational clarity following Organising for Growth were also shared, including leadership alignment sessions designed to equip managers to support new ways of working.

Authentic Leadership

Management introduced several leadership initiatives under the Year of Leading Forward programme, including the B:Leaders Framework, external leadership speakers, peer coaching circles across multiple regions and extended peer coaching for newly appointed Vice Presidents. As a result, colleague sentiment with respect to perceptions of leadership has increased, reflected in improved leadership role modelling scores.

We also strengthened leadership communication through evolved Leaders' Briefs, the weekly Leaders Look Ahead update and the Leadership Edition interview video series, which increased visibility of Executive Committee members. These initiatives contributed to the development of leadership capabilities and the reinforcement of the expected behaviours embedded within our values.

Talent at the Centre

Management actions to advance an internal-first approach to talent gave colleagues clear guidance on what growth means at Burberry, encompassing skills development, influence and new leadership opportunities. This was supported by refreshed resources across three pillars: Learner Mindset, Career Clarity and Career Tools.

Internal mobility data indicated that a meaningful proportion of colleagues experienced a formal career move during the year, supporting career progression despite a period of organisational contraction. Strong engagement with the on-demand learning platform Go1, alongside a significant increase in internal apprenticeship completions and expanded strategic talent planning across all functions and regions, further demonstrated improvements in career visibility and capability building.

Conclusions from monitoring culture during the year

Based on the information considered and engagement undertaken, including trend analysis against our established culture indicators, insights indicate that Burberry's culture continues to support the Company's strategic objectives and brand values during a period of transformation.

A shift in cultural sentiment was observed compared with FY 2024/25. While that year was characterised by leadership change, strategic reset and a broadly neutral cultural backdrop during transition, colleague feedback in FY 2025/26 suggested increasing confidence in Burberry's strategic direction.

Feedback reflected positive engagement with the refreshed strategy across the organisation. This progression from stabilisation towards confidence was viewed as an important indicator of cultural momentum, alongside an understanding of the need to sustain progress through consistent leadership and effective execution.

The importance of clear and effective leadership communication and decision-making processes was also highlighted as a key enabler of change, accountability and cultural consistency across our diverse global organisation. These insights continue to inform our people and governance priorities.

Colleague feedback suggested that our reimagined purpose and values, reflected through the Purpose and Belonging and Authentic Leadership culture indicators, align with our colleagues' perception of Burberry's heritage and authenticity as a British luxury brand. Feedback indicated that colleagues recognise the Company's intention to reconnect with its distinctive identity, which suggests cultural coherence during a period of change. We plan to continue to monitor this as perceptions evolve over time.

PRINCIPAL AREAS OF FOCUS FOR THE BOARD DURING FY 2025/26

Area of focus

Outcome

Strategy and operations

- | | |
|--|---|
| <ul style="list-style-type: none"> • Consider the re-articulation of Burberry's purpose and values • Review proposals to implement a comprehensive coordinated customer strategy • Review progress against implementation of the four pillars under the Burberry Forward strategic plan • Consider the proposed transformation programme, including organisational design and operational improvements | <ul style="list-style-type: none"> • Approval of Burberry's reimagined purpose and values • Approval of the operational and customer priorities, including product evolution, customer strategy and marketing plan • Questioning, challenging and providing feedback to the leadership team and supporting the programmes undertaken |
|--|---|

Finance

- | | |
|--|--|
| <ul style="list-style-type: none"> • Review of the FY 2025/26 budget and review draft FY 2026/27 budget and four-year plan forecasts • Review and scrutinise full- and half-year financial results and trading announcements • Review of capital allocation and financing • Review financial aspects of the transformation programme, including cost savings and operational expenditure | <ul style="list-style-type: none"> • Approval of the budget balancing investment for growth and consideration of the trading environment and geo-political factors • Approval of Annual Report and Financial Statements • Confirmation of the decision to suspend dividend payments for FY 2024/25 and in May 2026 confirming no dividend payment for FY 2025/26 • Approval of the transformation programme, investing for growth underpinned by cost savings and operational discipline |
|--|--|

Culture and colleagues

- | | |
|---|---|
| <ul style="list-style-type: none"> • Assess and monitor culture through the Employee Engagement Survey, the Global Workforce Advisory Forum and various metrics • Review progress against the diversity, equity and inclusion strategy • Consider people priorities for FY 2025/26 • Review the UK's gender and ethnicity pay gap for 2025/26 | <ul style="list-style-type: none"> • Review progress under the Reignite a High-performance Culture pillar of the Burberry Forward transformation programme and support further initiatives • Support management's plans to evolve diversity, equity and inclusion initiatives |
|---|---|

Corporate responsibility

- | | |
|---|---|
| <ul style="list-style-type: none"> • Consider proposals for charitable and community activities and investment for FY 2025/26 • Review Burberry's public sustainability targets and commitments to ensure alignment with external standards, peers and the Burberry Forward strategy • Review of proposed environmental priorities, further to updates from the Sustainability Committee | <ul style="list-style-type: none"> • Approval of donation of £2.9 million for social and community causes worldwide • Approval of revised sustainability targets, including our overall net zero target and Climate Transition Plan • Approval of the Company's Modern Slavery Statement |
|---|---|

Risk

- | | |
|--|--|
| <ul style="list-style-type: none"> • Review of the Group's risk appetite • Review of emerging and principal risks • Approval of tolerance levels of principal risks | <ul style="list-style-type: none"> • Approval of the Group's risk appetite • Endorsement of IT resilience and cybersecurity measures |
|--|--|

Governance

- | | |
|--|---|
| <ul style="list-style-type: none"> • Conduct the annual Board performance review • Review of enhanced responsibilities under Provision 29 of the UK Corporate Governance Code 2024 • Review of investor sentiment • Engage with employees, including through attendance at the Global Workforce Advisory Forum | <ul style="list-style-type: none"> • Confirmation that governance processes are operating effectively • Support for management's proposed approach to compliance with the new Provision 29 requirements in FY 2026/27 • Agree the key areas of focus arising from the Board performance review • Board insight and awareness of colleague sentiment |
|--|---|

KEY DECISIONS DURING FY 2025/26

As explained in the Section 172 statement on page 38, the Board took the views of key stakeholders into account when making decisions and conducting Board business. Three of the key decisions taken by the Board during FY 2025/26 are set out below, with an explanation of the stakeholder engagement methods used and how the information gathered from stakeholders informed the Board’s decisions.

Approve reimagined purpose and values



How the Board reached the decision

The Board reflected on the brand’s legacy and the enduring brand principles which have transcended Burberry’s development and decided that a re-articulation of Burberry’s purpose and values would provide a clearer link with Burberry’s original purpose and core belief.

Likely long-term consequences of the decision

The Board considered that re-articulating Burberry’s purpose and values would support Burberry’s growth and viability in the long term.

How stakeholder interests were taken into account

Customers: Providing a clearer understanding of what Burberry stands for and the brand’s enduring principles in order to reignite desire and create affinity with the brand.

People: Clear purpose and values resonate with Burberry colleagues and increase a sense of belonging.

Shareholders: Protecting Burberry’s legacy is in shareholders’ interests to preserve the value of the brand for the long-term financial health of the Group.

Partners: Reimagining Burberry’s purpose and values is in the best interests of our partners because it helps promote a clear culture, align decision-making with strategy and support sustainable long-term value creation.

Approve revised sustainability targets under the Burberry Beyond strategy and the Climate Transition Plan



How the Board reached the decision

The Board of Directors conducted an in-depth review of the current sustainability targets, including our overall net zero target, and considered whether these should be amended to take into account market expectations and developments that have led to a greater understanding in this area, including the need for science-based targets. The Board’s deliberations included a review of progress to date, technological advances in materials and targets set by luxury fashion peers. In reviewing the Climate Transition Plan, the Board considered the impact of climate change on Burberry’s supply chain and colleagues, and Burberry’s strategy for engaging partners in delivering the objectives of the Climate Transition Plan. The sustainability targets and further detail on the Climate Transition Plan are set out in the Strategic report on pages 46 to 75.

Likely long-term consequences of the decision

Implementation of sustainability measures is expected to support long-term viability, encourage growth and have a positive financial impact in the long term.

How stakeholder interests were taken into account

Customers: The Board considered the importance of provenance and authenticity to customers and how this influences their alignment with brand values.

People: The Burberry Beyond strategy and the sustainability goals which support it encourage a culture of belonging amongst employees.

Shareholders: The Board’s view was that robust and realistic sustainability targets, aligned to commercial and financial goals, would promote the sustainable performance of the Group for the long term.

Partners: The Board took account of Burberry’s strategy for engaging partners (including suppliers; trade associations, industry and business partnerships; government, public sector and civil society; and creative and education partners) in delivering the objectives of the Climate Transition Plan.

Communities: When considering the revised sustainability targets and Climate Transition Plan, the Board considered the impact of Burberry’s operations on communities.

Approve the Organising for Growth transformation programme



How the Board reached the decision

The Board considered the immediate actions needed to reset the size of the organisation and cost structure to support the business in the near future, while also supporting the Burberry Forward strategic refresh, our plans to put the customer at the centre and support growth.

Likely long-term consequences of the decision

The Board considered how the new organisational model would support investment for growth in the longer term.

How stakeholder interests were taken into account

Customers: Enhancements to the operational model would improve product availability and delivery.

People: After a period of change, the new organisational model would safeguard the business. Colleagues understand the need for change and this has helped to engage teams in rebuilding the brand.

Shareholders: Resetting the cost structure of the business in the short-term would help return the business to sustainable and profitable growth, supporting the long-term financial health of the Group.

Partners: Securing Burberry’s long-term viability helps support the long-term success of our business partners and suppliers.

Key stakeholders

Customers	Communities
Shareholders	Government
People	Partners

Board meetings and attendance

The Board held six formal meetings during the financial year, including an in-depth strategy session. If any Director is unable to attend a meeting, they are given the opportunity to provide feedback on the accompanying material in advance of the meeting. Details of attendance at Board and Committee meetings can be found below.

During the year, the Board and Committee agendas were shaped to ensure that discussion was focused on our key strategies and responsibilities, as well as reviews of significant issues arising during the year, such as changing macroeconomic and geopolitical conditions.

The Group's ongoing performance against strategic priorities is reviewed at all scheduled meetings.

The Chair and Non-Executive Directors held closed sessions without management present at several Board meetings. Throughout the year, Directors spent time meeting investors and interviewing candidates for both executive and non-executive roles. In addition, Directors undertook store and site visits and attended our fashion shows, town halls, brand events, training sessions and meetings of the Global Workforce Advisory Forum.

Directors' attendance at Board and Committee meetings during FY 2025/26

The attendance record below shows total eligible meetings.

	Board	Nomination	Audit	Remuneration
Gerry Murphy	6/6	4/4	–	–
Joshua Schulman	6/6	–	–	–
Kate Ferry	6/6	–	–	–
Orna NiChionna	6/6	4/4	–	6/6
Fabiola Arredondo ¹	2/2	1/1	–	1/1
Alessandra Cozzani	6/6	4/4	4/4	–
Sam Fischer ¹	2/2	1/1	–	1/1
Ron Frasch	6/6	4/4	4/4	6/6
Danuta Gray	6/6	4/4	4/4	6/6
Stella King	6/6	4/4	–	–
Antoine de Saint-Affrique ^{1,2}	2/2	0/1	1/1	–
Alan Stewart	6/6	4/4	4/4	6/6

1. Fabiola Arredondo, Sam Fischer and Antoine de Saint-Affrique retired from the Board following the AGM on 16 July 2025.

2. Antoine de Saint-Affrique was unable to attend a Nomination Committee meeting due to an unavoidable diary clash.

Productivity

The Company continues to demonstrate and develop improving levels of productivity, owing to strong human capital, training and development programmes, and focus on elevating the customer experience throughout our distribution and retail networks. Further information about these aspects of the business is provided on pages 17 to 24 and 33 to 35.

Tax governance framework and transparency

The CFO is responsible for the Group Tax Strategy, the effectiveness of tax risk management, tax processes and transparency of disclosures. The strategy is implemented by the global Tax and Trade Compliance teams with the assistance of the Finance Leadership team. Compliance with the Group Tax Strategy is reviewed on an ongoing basis as part of the regular financial planning cycle. The Audit Committee is responsible for reviewing the Group Tax Strategy at least once a year and significant tax matters as they arise.

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

Further information regarding the Group Tax Strategy can be found on [Burberryplc.com](https://www.burberryplc.com).

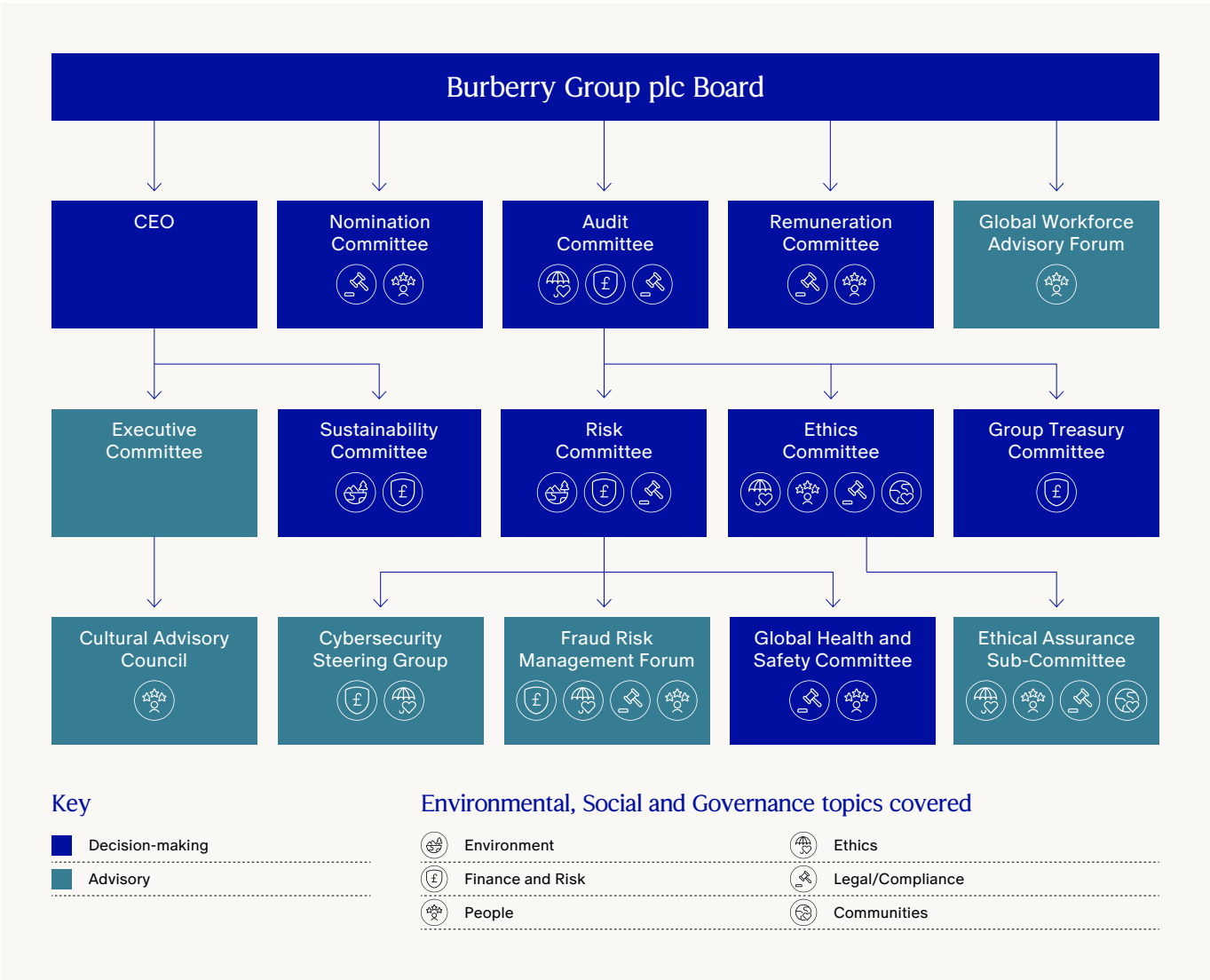
Share capital

Information about the Company's share capital, including substantial shareholdings, can be found in the Directors' Report on page 178.

GOVERNANCE STRUCTURE AND DIVISION OF RESPONSIBILITIES

Governance structure at Burberry

The diagram below illustrates Burberry’s governance structure, flowing from the Board, which comprises Committees and advisory forums. Each has a defined scope, covering one or more of our key Environmental, Social and Governance topics, and has a formalised reporting line. This structure ensures important matters are monitored by the right people and establishes an information flow to the Board, enabling it to make informed decisions and deliver Burberry’s strategy. Further information on the role of the Board and its principal Committees can be found on page 122.



Roles and responsibilities

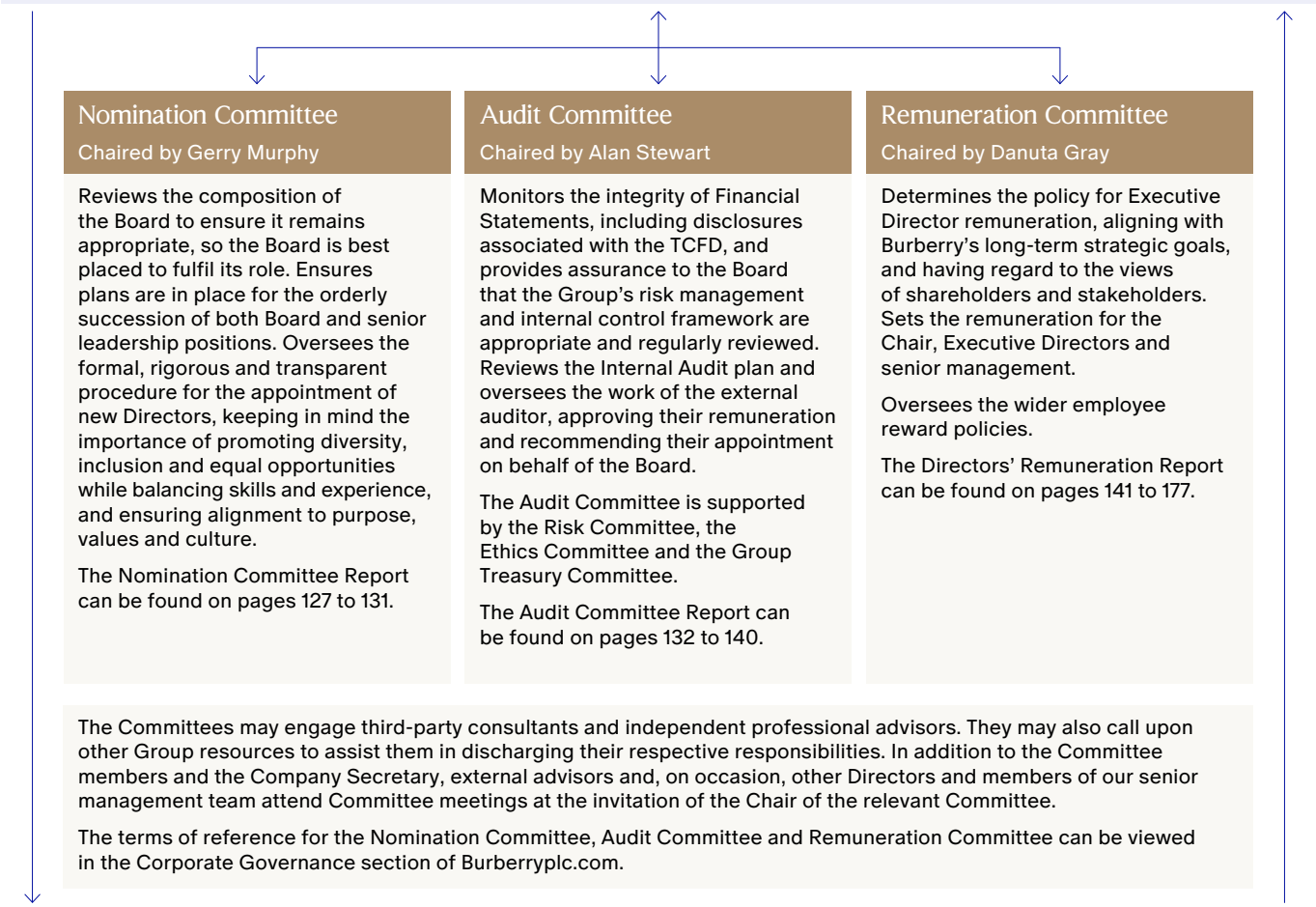
The Board

The Board is responsible for promoting Burberry's long-term sustainable success. This is achieved through the establishment of an effective governance framework, which the Board oversees, and keeping the interests of stakeholders at the fore in decision-making. Information flows up and down the governance framework to ensure that all decision-making is well-informed, transparent and balanced.

The Board establishes the Group's purpose and values, and sets the Group's strategy, including sustainability and climate goals, ensuring alignment with our culture and overseeing its implementation by management. The Board is also responsible for oversight of the Group's internal control and risk management, including the Group's risk appetite.

Specific matters have been reserved for approval by the Board. Details of the Board's key areas of focus during FY 2025/26 can be found on page 118, and a full schedule of matters reserved for the Board's decision is available in the Corporate Governance section of Burberryplc.com. Biographies of the members of the Board can be found on pages 109 to 112, and the individual roles of Directors and the division of responsibilities between them can be found on page 123.

The Board has established Committees to assist with exercising its authority.



CEO

The Board delegates the day-to-day responsibility for running the Group to the CEO, who is responsible for all commercial, operational, risk and financial elements of the business. The CEO is also responsible for the management and development of the strategic direction of the Group, for consideration and approval by the Board.

Executive Committee

The Executive Committee assists the CEO in implementing the strategy as approved by the Board. Executive Committee members are invited, as appropriate, to Board, Board Committee and strategy meetings to inform and update the Board on their areas of responsibility.

Board roles and the division of responsibilities

Our Board currently comprises nine members: the Chair, the CEO, the CFO and six independent Non-Executive Directors who are experienced and influential individuals, drawn from a wide range of industries and backgrounds with the skills to promote the long-term sustainable success of the Group. The Board has determined that all Non-Executive Directors are independent, apart from the Chair who was considered to be independent on appointment.

Directors' biographies, tenures, key skills and experience and external appointments are set out on pages 109 to 112. The assessment of Board skills can be found on page 129.

All Directors are appointed to the Board for an initial fixed three-year term, subject to annual re-election by shareholders at the Company's AGM. In accordance with the Code, all Directors will retire and offer themselves for re-election at the 2026 AGM.

To ensure the Board performs effectively, there is a clear division of responsibilities between the leadership of the Board and the executive leadership. The roles of the Chair, CEO and Senior Independent Director are agreed by the Board and are available to view in the Corporate Governance section of [Burberryplc.com](https://www.burberryplc.com).

Our Chair

- Responsible for the Board's overall effectiveness in directing Burberry
- Chairing Board meetings, Nomination Committee meetings and the AGM, setting the Board agenda and ensuring Directors receive accurate, timely and clear information
- Ensuring there is effective communication between the Board, management, colleagues, shareholders and the Group's wider stakeholders
- Promoting a culture of openness and constructive debate, and facilitating effective contributions from all Non-Executive Directors
- Overseeing the annual Board effectiveness review and addressing any subsequent actions
- Promoting the highest standards of corporate governance
- Ensuring the views of stakeholders are taken into account when making decisions

Our Senior Independent Director

- Acting as a sounding board for the Chair
- Acting as an intermediary for the other Directors, where necessary
- Chairing meetings in the absence of the Chair
- Being available to shareholders and stakeholders if they have any concerns which they have been unable to resolve through normal channels
- Together with the Non-Executive Directors, assessing the performance of the Chair on an annual basis
- Leading the search and appointment process and recommendation to the Board of a new Chair, if necessary

Our Non-Executive Directors

- Providing effective and constructive challenge to the Board and scrutinising the performance of management against agreed performance objectives
- Leading the appointment process for Executive Directors

- Assisting in the development and approval of the Group's strategy
- Reviewing Group financial information and ensuring there are effective systems of governance, risk management and internal controls in place
- Ensuring there is regular, open and constructive dialogue with shareholders
- Offering specialist knowledge to the Board

Our CEO

- Day-to-day management of the Group and leading the Executive Committee
- Responsible for all commercial, operational, risk and financial elements of the Group
- Developing the Group's strategic direction and implementing the agreed strategy, as approved by the Board
- Ensuring effective communication and information flows to the Board and the Chair
- Representing the Group to external stakeholders
- Responsible for the oversight of the following key functions: Design, Marketing, Digital, Merchandising and Planning, Supply Chain Operations, Customers, Corporate Affairs, Human Resources, Strategy, Global Commercial, Corporate Communications and IT
- Responsible for oversight of Burberry's sustainability agenda and climate goals

Our CFO

- Supporting the CEO in developing the Group's strategy and its implementation
- Overseeing the global Finance and Business Services functions and developing the Group's Capital Allocation Framework
- Responsible for establishing financial planning and maintaining adequate internal controls over financial reporting
- Representing the Group to external stakeholders
- Responsible for the oversight of the following key functions: Investor Relations, Internal Audit and Risk Management, Business Continuity, Burberry Business Services, Finance, Insurance, Tax, Treasury and Trade Compliance

Our Company Secretary

- Providing advice and support to the Chair and all Directors
- Ensuring the Board receives high-quality information and resources in a timely manner so that the Board can operate effectively at meetings and carry out its duties
- Assisting the Chair and Committee Chairs in setting the agenda for Board and Committee meetings
- Advising and keeping the Board up to date with all matters of corporate governance through regular papers and updates at meetings
- Facilitating the induction programme for new Directors and, together with the Chair, assessing ongoing training needs for all Directors

Time allocation

Executive Directors

Our Board's Executive Directors are permitted to hold one external non-executive directorship. Joshua Schulman is a Director and Trustee of The Elton John AIDS Foundation, a charitable foundation.

Non-Executive Directors

Each of our Non-Executive Directors has a letter of appointment which sets out the terms and conditions of their directorship. The Non-Executive Directors are expected to devote the time necessary to perform their duties properly. This is expected to be approximately 20 days each year for basic duties. The Chair and Senior Independent Director are expected to spend additional time over and above this to carry out the extra responsibilities their roles entail. A summary of these roles can be found on page 123 and full descriptions can be found in the Corporate Governance section of the Group's website, Burberryplc.com.

The Board has noted changes to Non-Executive Directors' external appointments during the year and confirms that they were not perceived to impact their responsibilities to the Company. The Board also considered existing appointments and was content that all Directors continue to have sufficient time to undertake their roles at Burberry. Please see pages 129 to 130 for further information on Directors' time commitments.

The Board considers that the Chair and all Non-Executive Directors have fulfilled their required time commitment during FY 2025/26.

Independence of Non-Executive Directors

Each year, in accordance with its terms of reference, the Nomination Committee reviews the independence of the Non-Executive Directors (excluding the Chair), taking into account a range of factors, including those set out in Provision 10 of the UK Corporate Governance Code.

Please see page 130 for further information on the independence assessment performed by the Nomination Committee.

Induction and training

The Company Secretary assists the Chair in designing and facilitating a formal induction programme for new Directors and their ongoing training. Each newly appointed Director receives a formal and tailored induction programme to enable them to function effectively as quickly as possible, while building a deep understanding of the business. Each induction typically consists of meetings with both Executive and Non-Executive Directors and briefings from senior managers across our key business areas and operations. In addition, Non-Executive Directors are provided with opportunities to visit key stores, markets and facilities. This includes visits to our various operating facilities in the UK and in their country or territory of residence.

Following the initial induction for Non-Executive Directors, an understanding of the business is developed through ongoing meetings and engagements as appropriate. In June 2025 Orna NiChionna and Stella King travelled to Mainland China visiting stores and engaging with colleagues to gain a greater insight into this market.

The Chair considers the training needs of individual Directors on an ongoing basis, and the Board has direct access to the advice and services of the Company Secretary. To carry out their duties, Directors may also obtain independent professional advice, if necessary, at the Group's expense. The Board received training on the use of AI in November 2025 and, in February 2026, the Board undertook carbon literacy training to support the review of Burberry's sustainability targets and Climate Transition Plan.

Managing conflicts of interest

All Directors have a duty under the Companies Act 2006 to avoid a situation in which they have, or could have, a direct or indirect conflict of interest or possible conflict of interest with the Company and/or the Group.

Under the Company's Articles of Association, the Board has the authority to approve situational conflicts of interest. It has adopted procedures to manage and, where appropriate, approve such conflicts.

Authorisations granted by the Board are recorded by the Company Secretary in a register and are noted by the Board at its next meeting. A review of situational conflicts that have been authorised is undertaken by the Board annually.

Following the last review, the Board concluded that the potential conflicts had been appropriately authorised, that no circumstances existed which would necessitate that any prior authorisation be revoked or amended, and that the authorisation process continued to operate effectively.

COMPOSITION, SUCCESSION AND EVALUATION

Board evaluation

Evaluating our performance

The Board undertakes a formal annual review of its effectiveness, to help identify opportunities to improve and enhance its own performance and that of the Group. The evaluation process is led by the Chair and includes a review of the effectiveness of the Board as a whole, the Board's Committees and each individual Director. Every three years the review is facilitated externally in accordance with the UK Corporate Governance Code. The last externally facilitated review was completed for FY 2023/24.

During the financial year, the Board undertook an internal effectiveness review facilitated by BoardOutlook which provides a customisable questionnaire-based framework designed to use data and analytics to identify both strengths and opportunities for improvement. The questionnaires covered governance practices, composition, culture, succession planning, risk management and the quality of Board processes and papers. They were finalised by the Chair and the Chairs of the Nomination, Audit and Remuneration Committees, supported by the Company Secretary. Board members, members of the Executive and senior management team who regularly attend Board and/or Board Committee meetings were invited to complete the questionnaires. In addition, the Chair met with each director to consider individual performance and the Senior Independent Director held a meeting of the Non-Executive Directors, without the Chair being present, to review his performance during the year.

The evaluation confirmed that the Board continues to operate effectively. The Board's culture was rated highly with particular strengths in mutual trust and respect, director preparedness and the ability to move rapidly when required. The Chair's leadership was rated strongly, with the working relationship with the CEO and the quality of Board engagement highlighted as key strengths. Directors expressed strong confidence in the CEO and executive team's performance, noting material progress in short-term financial results, stakeholder communication and strategic execution.

The Board's involvement in strategy was also well regarded. There is strong alignment behind the current strategic direction and broad confidence in the clarity and execution of Burberry Forward. Sustainability oversight was also rated as a strength with the Board supporting the organisation's sustainability strategy and recognising the quality of the programme in place.

The review identified a number of areas for potential development and action during FY 2026/27 which have been agreed by the Board and are set out below. Progress against these areas of focus will be monitored during FY 2026/27.

Having discussed the results of the review, the Board confirmed its view that it continues to operate effectively within an inclusive and transparent environment and that the Nomination, Audit and Remuneration Committees continue to operate well and to provide effective support to the Board in carrying out its duties. Further information about the effectiveness evaluations of each of the Committees and of individual Directors conducted during the year can be found on pages 127, 132 and 145.

Areas of focus for FY 2026/27

Based on the feedback received during the assessment process, the Board agreed on the following areas of focus, which will be monitored during the year.

Area for development	Action
Digital transformation and innovation	The Board will strengthen its oversight of digital strategy, technology and innovation and consider how best to enhance digital expertise at Board level
Long-term strategic balance	As the business transitions from its initial stabilisation phase to focus on sustainable growth, the Board will ensure dedicated time is given to longer-horizon strategic questions, including customer and brand strategy and the balance between short- and long-term priorities
Board composition and succession	The Board recognises the need to refresh its composition to reflect the evolving needs of Burberry. Board recruitment will prioritise digital expertise, global consumer brand experience, CEO level leadership and Chair succession planning
Risk oversight	The Board will expand its risk discussions to include a more structured consideration of emerging and longer-term risks and will explore opportunities to strengthen the mechanisms by which management perspectives on material risks are surfaced
Board processes	The Board will undertake a review of its papers and processes with a view to enhancing conciseness and incorporating AI tools where appropriate to improve efficiency and to increase Directors' exposure to emerging AI applications

Progress update on focus areas identified following FY 2024/25 Board effectiveness review

Area for development	Action
Strategy and operations	
Further embed leading indicators and risk dashboards into the Board's ways of working to strengthen oversight of commercial and operational performance, enhance decision-making and support the delivery of short- and long-term strategic goals	The Board receives monthly performance dashboards covering trading and other key metrics. In addition, a strategy delivery dashboard tracking KPIs for Burberry Forward is shared with the Board on a quarterly basis.
Enhance monitoring of digital transformation, disruption and innovation	The Board has received several updates on the Group's e-commerce strategy and long-term digital ambition to support it in monitoring the delivery of the Group's digital transformation agenda.
Enhance monitoring of supply chain efficiency, resilience and geopolitical risk	Progress on the strategy to drive supply chain efficiency and impact on margin through reviewing country of origin and internal manufacturing risks and opportunities was reviewed in July 2025. A further update on plans to evolve the supply chain operating model was received in February 2026. The Board also received a number of updates during the first half of FY 2025/26 regarding the impact of US tariffs and potential strategic sourcing adjustments.
Enhance the Board's awareness of current and evolving competitive landscape and consumer trends	During its annual strategy meeting, the Board received an update on the status of the luxury industry and customer perspectives from an external expert.
People and resources	
Undertake a thorough review of Board members' collective critical skills and experience relative to Burberry's future business needs to optimise Board succession planning	During FY 2025/26, the Nomination Committee led a review of the skills considered most critical to Burberry as detailed on page 129.
Board ways of working	
Review of Board processes and papers to support better oversight and decision-making	The annual Board agenda has been reviewed with additional items introduced where necessary to ensure that Board meetings are focused on discussing key strategic topics.

NOMINATION COMMITTEE REPORT



Gerry Murphy
Chair, Nomination Committee

Areas of focus during FY 2025/26

- Board composition and succession planning
- Review of Board skills
- Annual review of corporate governance requirements

“The Committee has remained focused on the evolving needs of the business in support of the Burberry Forward strategic plan.”

Dear Shareholder,

On behalf of the Nomination Committee (the Committee), I am pleased to present this report which sets out how the Committee has discharged its responsibilities during the year. It covers Board composition (see pages 128 to 131), Board succession planning (see page 128), Directors' time commitments (see pages 129 to 130) and the approach we have taken to reviewing Board members' collective skills as explained below.

The Committee has remained focused on the evolving needs of the business in support of the Burberry Forward strategic plan. Fostering and sustaining a high-performance culture by ensuring the Board, Executive Committee and senior management have the appropriate balance of skills and diversity is integral to our strategic ambitions. We have also spent time discussing the evolution of the Executive Committee and were supportive of Josh's proposals to appoint the Regional Presidents to the Executive Committee and to create the Chief Operating and Supply Chain Officer and Chief Customer Officer roles.

Orna NiChionna, our Senior Independent Director, has also been leading a succession planning process for my role as Chair in view of the length of my tenure. Further information will be included in the FY 2026/27 report.

Review of Board skills

Following the Board effectiveness review undertaken in respect of FY 2024/25, a key area of focus for the Nomination Committee this year has been to conduct a thorough review of Board members' skills, experience and expertise assessed against Burberry's strategic priorities and future business needs.

This review resulted in a clear and structured matrix, setting out the collective skills and capabilities required to support the delivery of Burberry Forward and demonstrating how those skills are balanced across the Board. Further details on the process are provided on page 129.

The outcomes of the review will strengthen the Committee's approach to Board composition and succession planning, ensuring that the Board remains well positioned to support Burberry's strategy.

The Committee remains committed to ensuring Burberry has a balanced Board which supports the Company's long-term success.

Committee effectiveness

The Committee's annual performance review confirmed that the Committee operates effectively and took account of the long-term needs of the business in its approach to Board succession planning during the year.

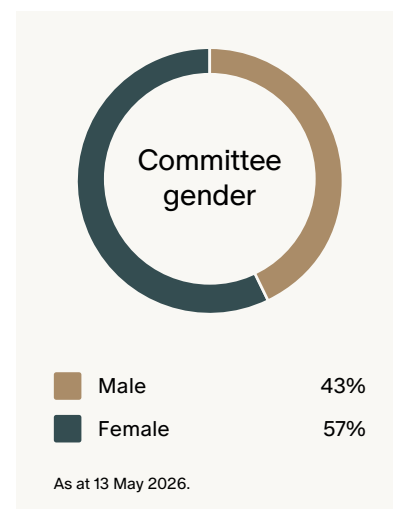
Gerry Murphy

Chair, Nomination Committee

Nomination Committee membership and meeting attendance during the year

Committee member	Member since	Meeting attendance
Gerry Murphy (Chair)	17 May 2018	4/4
Fabiola Arredondo ¹	10 March 2015	1/1
Alessandra Cozzani	1 September 2023	4/4
Sam Fischer ¹	1 November 2019	1/1
Ron Frasch	1 September 2017	4/4
Danuta Gray	1 December 2021	4/4
Stella King	1 April 2025	4/4
Orna NiChionna	3 January 2018	4/4
Antoine de Saint-Affrique ^{1,2}	1 January 2021	0/1
Alan Stewart	1 September 2022	4/4

1. Fabiola Arredondo, Sam Fischer and Antoine de Saint-Affrique retired from the Board on 16 July 2025 and stepped down as members of the Nomination Committee on that date.
2. Antoine de Saint-Affrique was unable to attend a Nomination Committee meeting due to an unavoidable diary clash.



Summary of meetings

The Committee met four times during FY 2025/26, including unscheduled meetings called to deal with ongoing processes and ad hoc matters as they arose. Details of attendance at Committee meetings are set out above.

Committee role and responsibilities

As set out in the terms of reference, which are available on [Burberryplc.com](https://www.burberryplc.com), the Committee has responsibilities across three main areas:

Board composition

- Reviews the structure, size and composition of the Board and its Committees to ensure the right balance of skills, knowledge, experience, diversity and independence
- Identifies and makes recommendations to the Board on suitable candidates to fill Board vacancies

Board and executive succession planning

- Develops succession plans to ensure Board membership is refreshed to meet the needs of the Company
- Oversees the development of a diverse succession pipeline for the Executive Committee and key senior management roles, in line with the approach to ensure talent is at the centre of the Company

Corporate governance

- Considers the independence and time commitments of Non-Executive Directors
- Reviews the Board Composition and Diversity Principles to ensure they remain fit for purpose

Board composition and succession planning

Having the right blend of skills, knowledge and experience in the boardroom ensures an effective Board. Diverse and fresh perspectives contribute to well-rounded discussions and lead to effective decision-making.

During the year, the Committee undertook a comprehensive review of the Board's collective critical skills and experience, assessed against Burberry's future strategic and business needs, to guide, inform and support effective Board succession planning. Further details of the review process and key considerations are set out on page 129, as well as the outcome of this review.

In line with the Board Composition and Diversity Principles, all Board appointments will continue to be made on merit and objective criteria. Our approach includes:

- Ensuring the search pool includes candidates from diverse backgrounds with experience and insights relevant to the Group's strategic priorities
- Taking into account Burberry's purpose, culture and values, as well as changing business needs, while also having regard to wider stakeholder requirements and environmental factors
- Promoting diversity, inclusion and equal opportunity. Our aim is to ensure that at least 40% of the Board is female and that at least one Board member is from an ethnic minority background

Board composition and tenure

Following the departure of Fabiola Arredondo, Sam Fischer and Antoine de Saint-Affrique after the 2025 AGM, the size of the Board reduced from 12 to nine members. The Committee considered the size of the Board and concluded that the Board comprising nine members, of which six are independent Non-Executive Directors is appropriate. The Committee also considered the Directors' tenure and concluded that there is a good balance on the Board between recently appointed Directors and those who have a longer tenure.

Skills Review

Following the FY 2024/25 Board performance review, the Board agreed to undertake a thorough review of Board members' collective critical skills and experience relative to Burberry's future business needs in order to optimise Board succession planning.

The Committee wanted to achieve deep insights to identify the most critical skills and experience for the business in the next three to five years with the aim of enhancing Board composition data. In line with the Board Composition and Diversity Principles, areas of specialist knowledge and experience required to effectively oversee a FTSE 100 company and support Burberry's corporate responsibility agenda are also considered as part of the Board's succession planning process, for example financial oversight, sustainability oversight and UK corporate governance experience.

The review was facilitated using the BoardOutlook platform and was conducted as a two-stage process:

Stage 1

Firstly, Board members completed individual Board composition diagnostics to define and identify the skills most relevant to Burberry based on a consensus view of sector experience and stakeholder understanding. The Committee then discussed the outcome and agreed a list of the most important skills aligned to Burberry Forward.

Stage 2

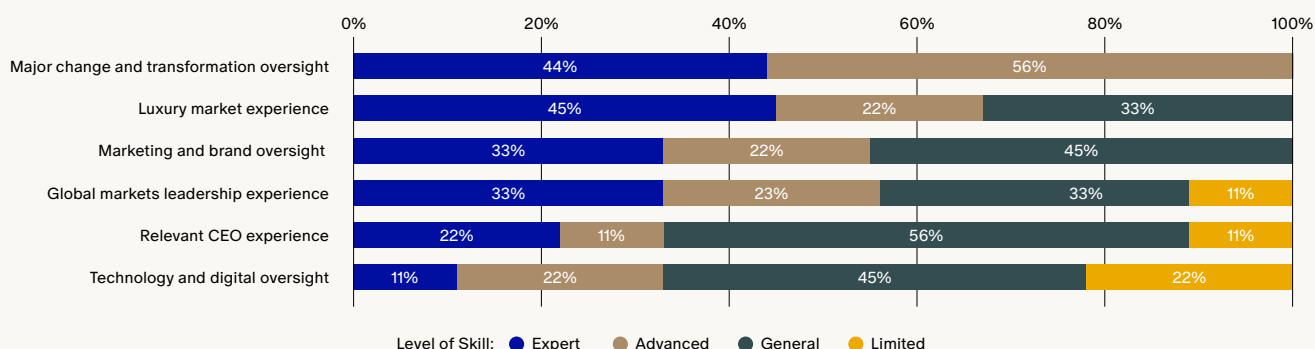
The second stage required the completion of a self-evaluation by each Board member against the skills identified in Stage 1, ranking their strengths from where they were most to least comfortable. A peer review was also completed as part of this phase.

The output of these stages divided the skills into two categories: critical and general, and ranked the level of skill into expert, advanced, general and limited. Prior skills assessments had not provided this level of detail, giving greater depth to the review.

Outcome

The following table reflects the outcome of the skills review and shows the blend of skills and experience on the Board across the critical skills identified. Relevant CEO experience and technology and digital oversight are highlighted as priority areas to upskill the Board and support the Committee's ongoing succession planning.

Critical Board Skills Matrix



Directors' time commitments

The Nomination Committee conducts an annual assessment of the time required by Non-Executive Directors to effectively discharge their responsibilities. It also assesses through performance evaluation whether the time they spend executing their roles is sufficient.

During the year, the Committee reviewed Directors' time commitments to ensure that these complied with the policy on Directors' time commitments introduced in FY 2023/24. According to the policy:

- Non-Executive Directors are expected to hold no more than four non-executive directorships in public companies, including Burberry, at any one time
- Executive Directors should not undertake more than one non-executive directorship of a listed company or any other significant appointment
- In exceptional and compelling circumstances, the Board may approve an exemption to this policy if it agrees this is merited in order for the Board to benefit from the individual Director's continuing appointment
- Directors are required to obtain prior approval before taking on any significant additional appointments. The Chair undertakes this pre-approval on behalf of the Board. Where deemed necessary, the Chair may escalate specific appointments for consideration by the full Board

The terms of appointment of the Non-Executive Directors require that they should allocate sufficient time to meet the expectations of their role. The Committee considered the expected time commitment of the Chair and the Non-Executive Directors, taking into account attendance at Board and Committee meetings, as well as engagements outside formally scheduled Board and Committee meetings, and assessed whether the Non-Executive Directors had met the requirement. The Committee also considered the external appointments of the Non-Executive Directors and reviewed the register of Directors' conflicts.

The Committee notes that Danuta Gray was Chair of two UK listed companies for a short period of time during the year, however, the Committee is satisfied that this had no impact on Danuta's ability to meet her Board responsibilities during the short period of overlap. Alessandra Cozzani was appointed as a Non-Executive Director of Brembo N.V. in April 2026. The Board was satisfied that the nature of this role and her existing commitments did not impact her ability to meet her Board responsibilities. The Committee is satisfied that all the Directors currently meet the policy on Directors' time commitments.

The Board is satisfied that all Directors continue to make effective and valuable contributions to the Board and devote sufficient time to discharging their responsibilities as Directors of Burberry.

Directors' independence

The Committee also conducts an annual review of the independence of the Non-Executive Directors on behalf of the Board. The UK Corporate Governance Code requires the Board to state its reasons for concluding that a Director is independent notwithstanding the existence of certain circumstances which are likely to impair or appear to impair that Director's independence. Provision 10 of the Code provides a non-exhaustive list of such circumstances which should be considered, including length of service.

All Directors will seek re-election at the 2026 AGM.

Board diversity

The Board is committed to driving progress in promoting diversity in line with the Board Composition and Diversity Principles. These Principles set clear objectives aligned with the UK Listing Rules and the recommendations of the FTSE Women Leaders Review and the Parker Review.

Throughout FY 2025/26, the Board maintained its objective of ensuring that at least 40% of its members are female. At the date of this report, women make up 56% of the Board and hold the key leadership roles of Senior Independent Director and CFO. Burberry was again recognised in the FTSE Women Leaders Review published in February 2026, ranking in first place within both the FTSE 100 and sector category for women on boards and in leadership. This recognition reflects our commitment to board diversity and inclusive leadership. At 31 October 2025, the date used for our submission to its report, women accounted for 56% of Executive Committee members and their direct reports.

At the date of this report, the Board had at least one Director from an ethnic minority background and is compliant with the Parker Review's target for FTSE 100 companies. While Burberry aims to maintain or exceed this standard, during periods of Board change, this may not always be achieved.

The Board also recognises and embraces the importance and benefits of diversity and inclusiveness at Board Committee level. As at 13 May 2026, Board Committee gender diversity was as follows:

- Nomination Committee: 57% women
- Audit Committee: 50% women
- Remuneration Committee: 50% women

The Board's Composition and Diversity Principles reflect the changes incorporated into the 2024 version of the UK Corporate Governance Code, which calls on companies to consider diversity in a wider sense by moving beyond specific protected characteristics.

During the year, the Board reviewed the Group's approach to diversity, equity and inclusion and approved a move to a culture of belonging. The Board approved a number of initiatives designed to embed diversity into Burberry systems and practices related to recruiting and developing talent, cultivating authentic leadership and engaging with employees, all in support of the Reignite a High-Performance Culture pillar of the Burberry Forward strategy.

The Board's commitment to diversity in leadership at Burberry is reflected in our goal for 15% of UK senior management to come from ethnic minority backgrounds by December 2027, a target we outlined in the Annual Report 2023/24. As at the date of this report, 13% of UK senior management came from an ethnic minority background.

Disclosures required under UK Listing Rules 6.6.6(9)R and 6.6.6(10)R as at 28 March 2026

The Board selected 28 March 2026 as the reference date for this disclosure as it was the last day of FY 2025/26 and is consistent with the reporting date selected in the prior year. As at this date, the Company complied with the targets for gender diversity set under UK Listing Rule 6.6.6(9)R.

The Board has continued to meet its obligation to maintain the required gender diversity with over 50% of the Board being female and, in addition, women hold both the Senior Independent Director and CFO roles. The Board also complied with the requirement to have at least one Director from an ethnic minority background.

The data in the table below was collected by contacting each Board and Executive Committee member directly and inviting them to self-identify their gender and ethnicity using the specified categories as prescribed in the UK Listing Rules. For Board and Executive Committee members that reside outside of the UK, additional checks were made to ensure that the collection and publication of their personal data did not contravene any local laws or protection rights.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of executive management	Percentage of executive management
Men	4	44	2	7	54
Women	5	56	2	6	46
Not specified/prefer not to say	0	0	0	0	0

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of executive management	Percentage of executive management
White British or other white (including minority-white groups)	8	89	4	9	70
Mixed/multiple ethnic groups	0	0	0	0	0
Asian/Asian British	1	11	0	2	15
Black/African/Caribbean/Black British	0	0	0	0	0
Other ethnic group	0	0	0	2	15
Not specified/prefer not to say	0	0	0	0	0

AUDIT COMMITTEE REPORT



Alan Stewart
Chair, Audit Committee

Areas of focus for FY 2025/26

- Scrutinising financial performance, financial reporting estimates and judgements
- Monitoring and assessing risk management and internal control frameworks
- Readiness for implementation of Provision 29
- Preparedness for sustainability reporting
- Oversight of cybersecurity threat and resilience

“The Committee has been satisfied that management applied robust and consistent accounting policies.”

Dear Shareholder,

I am pleased to present the FY 2025/26 Report of the Audit Committee (the Committee) which describes the Committee's main activities and areas of focus during the year.

Areas of focus during FY 2025/26

The primary purpose of the Committee is to oversee the integrity of financial reporting and to provide assurance to the Board that the Company's internal control and risk management processes are operating effectively. The Committee also oversees the work of the external auditor. Details of how we monitored EY's audit are available on page 135.

This year, we focused on reviewing the Group's financial performance and how this was taken into consideration when determining appropriate accounting estimates relating to impairment of property, plant and equipment and right-of-use assets and inventory provisioning. Further to recent high profile cyberattacks on retail organisations, the Committee has also focused on monitoring cybersecurity and related business continuity.

The Committee has been satisfied that management applied robust and consistent accounting policies and provided the Committee with sensitivities to these assumptions and forward-looking trading. We also reviewed and challenged the going concern assessment and the severe but plausible scenarios, and considered the liquidity needs of the Group in order to recommend the Viability Statement on pages 104 and 105 to the Board.

Further information on how the Committee addressed significant matters during the year is set out in the table on pages 134 and 135.

In relation to the Group's risk management, we carried out a detailed review of management's assessment of principal risks, tolerance levels and mitigations, and concluded these were appropriate. We also reviewed management's preparations for the revised Provision 29 of the UK Corporate Governance Code 2024 and the changing sustainability reporting landscape. Strong progress has been made to meet the requirements and we continue to monitor and support management in readiness activities. Further details of the steps we have taken can be found on page 137.

The Committee confirms that during FY 2025/26, the Group complied with the mandatory audit processes and Audit Committee responsibility provisions of the Competition and Markets Authority Statutory Audit Services Order 2014. This report describes the work of the Committee in discharging its responsibilities.

Audit quality review

In December 2025, I was advised of the outcome of an Audit Quality Assessment carried out by the FRC on the FY 2024/25 audit performed by our external auditor. My colleagues and I were pleased to note that the FRC identified no key or other findings arising from their inspection. Further details of the assessment are set out on page 135.

Committee effectiveness

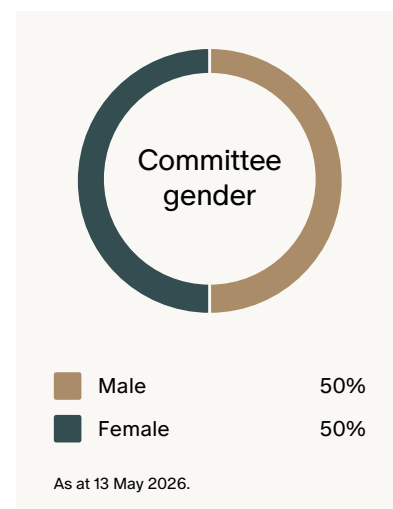
The Committee's annual effectiveness review was undertaken as part of the internal review of Board and Committee effectiveness, and I am pleased to note that the review confirmed that the Committee fulfils its purpose well, is well informed and challenges where appropriate. Further information on the process is set out on page 125.

Alan Stewart
Chair, Audit Committee

Audit Committee membership and meeting attendance during the year

Committee member	Member since	Meeting attendance
Alan Stewart (Chair)	1 September 2022	4/4
Alessandra Cozzani	1 September 2023	4/4
Ron Frasch	7 November 2018	4/4
Danuta Gray	12 July 2023	4/4
Antoine de Saint-Affrique ¹	1 January 2021	1/1

1. Antoine de Saint-Affrique retired from the Board on 16 July 2025 and stepped down as a member of the Audit Committee on that date.



The role and main responsibilities of the Committee

The role and main responsibilities of the Committee are set out in written terms of reference, which are available on [Burberryplc.com](https://www.burberryplc.com). The Committee reviews its terms of reference annually to ensure that they remain fit for purpose and reflect any regulatory or best practice changes if appropriate. As part of its review in March 2026, a number of minor changes were made to provide greater clarity and consistency and to explicitly reference the FRC's Audit Committees and the External Audit: Minimum Standard (the Minimum Standard). The Committee considers that the Minimum Standard has and continues to be met through the discharging of the Committee's duties as described throughout this report. To ensure alignment with Provision 29 of the UK Corporate Governance Code 2024, which will come into effect in FY 2026/27, the risk management and controls references were updated.

The key areas of responsibilities of the Committee are:

- External auditor: recommending the appointment of the external auditor, approving their remuneration and overseeing their work, reviewing reports received by the external auditor and reviewing their effectiveness and independence
- Financial reporting: ensuring the integrity of the Group's financial statements and formal announcements of the Group's performance. Approval of management's identification and determination of key accounting judgements and estimates
- Risk management and controls: reviewing effectiveness of systems, processes and policies to assess, manage and monitor the Company's risk management and internal controls framework
- Internal Audit: reviewing the annual internal audit programme and considering the findings of any internal audit investigations
- Whistleblowing and fraud: reviewing procedures for the prevention and detection of fraud, bribery and corruption, and anonymous whistleblowing arrangements in place for the Company's workforce, including people in our supply chain

Committee composition

Antoine de Saint-Affrique stepped down as a member of the Committee following his retirement from the Board on 16 July 2025. There were no other changes to the Committee's composition during FY 2025/26.

The Board is satisfied that Alan Stewart and Alessandra Cozzani have recent and relevant financial experience, and that all other Committee members collectively have appropriate knowledge, skills and experience in either finance or accounting roles, or broad consumer experience and knowledge of financial reporting and/or international businesses. As a whole, the Board is satisfied that the Audit Committee has the appropriate knowledge, skills and experience relevant to the business sector to fulfil the duties delegated to the Committee. The biographies set out on pages 109 to 112 provide details of each member's background and experience.

Meetings and attendance

The Committee met formally four times during the year (see the table above).

The Chair of the Committee met separately with representatives of the external auditor, senior members of the Finance function and the Vice President, Group Risk and Audit on a regular basis, including prior to each Committee meeting. In addition, he met with members of the Group Internal Audit team and other members of management on an ad hoc basis as required to fulfil his duties.

Regular attendees at Committee meetings included the Chair of the Board, CEO, CFO, Company Secretary, Vice President, Group Risk and Audit, Vice President, Group Financial Controller, General Counsel and representatives of the external auditor. At the end of each meeting, the Committee held closed meetings with the external auditor and with the Vice President, Group Risk and Audit, without management being present. The Committee also held a private session without management being present.

Significant matters for the year ended 28 March 2026

How the Audit Committee addressed these matters

Impairment assessment of right-of-use assets and property, plant and equipment held in retail cash-generating units	In November 2025, March 2026 and May 2026, the Committee considered management's assessment of the recoverability of the carrying value of assets held in retail cash-generating units, including property, plant and equipment and right-of-use assets relating to store leases. The Committee considered the approach applied by management to review for potential indicators of impairment of retail cash-generating units and how current performance has impacted this. The Committee reviewed and challenged the sensitivities applied to the estimates of future store performance and reviewed management's determination of store impairments and proposed disclosures of these impairments and sensitivities relating to these uncertainties. The Committee concluded that the carrying value of assets held in retail cash-generating units and disclosures contained in the Financial Statements for the period were appropriate. The results of the impairment assessment of assets held in retail cash-generating units, together with related sensitivities, are set out in note 13 of the Financial Statements.
The appropriateness of the valuation of the recoverability of the cost of inventory and the resulting estimation of provision required	In November 2025, March 2026 and May 2026, the Committee considered management's assessment of the recoverability of the cost of inventory and the resulting amount of provision required. The Committee reviewed the Group's current provisioning policy, the expected loss rates on inventory held at the balance sheet date and the nature and condition of current inventory. The review included analysis of actual inventory, noting the age and expected exit routes for the remaining surplus inventory held at the balance sheet date and the actual loss rates. The Committee considered the sensitivity to the assumptions of loss rate and exit route and how this aligned to the current performance of the business and future expectations and inventory management initiatives to understand how management quantified the range of potential outcomes and level of estimation applied. The Committee concluded that the inventory assets recognised and disclosures contained in the Financial Statements for the period were appropriate. Movements in inventory provision and the related sensitivities are set out in note 17 of the Financial Statements.
Uncertain tax positions and the Group's more significant tax exposures and the appropriateness of any related provisions and Financial Statements disclosures	In November 2025, March 2026 and May 2026, the Committee received regular updates regarding developments relating to discussions with tax authorities and the status of any ongoing tax audits. The Committee reviewed and challenged the appropriateness of assumptions and estimates applied to estimate the amount of assets and liabilities to be recognised in relation to uncertain income tax and deferred tax positions and the disclosure of any significant estimates applied to tax balances. The Committee concluded that the assets and liabilities recognised and disclosures contained in the Financial Statements for the period were appropriate. Details of movements in tax balances are set out in notes 9 and 15 of the Financial Statements and further disclosure of tax contingent liabilities is given in note 30.
Going concern and viability	The Committee considered the risks that could threaten the Group's business model, future performance, solvency, liquidity and reputation. It also looked at how these were included in the severe but plausible downside scenario. This included an aggregation of several severe impacts of these principal risks and the reverse stress test scenario, alongside the current cash position, facilities available to the Group as well as mitigating actions that could be taken. The Committee concluded that a robust assessment had been carried out, and in all the scenarios considered the Group was able to maintain sufficient liquidity to continue trading.
The impact of climate risk on the Group's financial reporting and Financial Statements (TCFD and sustainability reporting considerations)	The Committee considered the impact of climate risk on the Financial Statements and TCFD reporting on behalf of the Board. The Committee considered the approach taken by management to further develop the digital twin model which was updated with the latest Group performance and locations. The Committee noted the ongoing areas of market and consumer preference risk and physical risks as being the most significant risks identified by the modelling. The Committee reviewed the disclosures in the Annual Report on behalf of the Board to ensure they were in compliance with TCFD recommendations and the assurance provided by the Group's auditors. The Committee also reviewed preparations for sustainability reporting progressed by management during the year including the Double Materiality Assessment.

Significant matters for the year ended 28 March 2026

How the Audit Committee addressed these matters

Whether the Annual Report is fair, balanced and understandable	The Committee considered the Annual Report and Interim Results, on behalf of the Board, to ensure that they were fair, balanced and understandable, in accordance with the requirements of the UK Corporate Governance Code. The Committee reviewed the report from the Strategic Report drafting team, comments arising from the review of the Financial Statements by the Executive Directors and comments raised by the Group's auditor. The Committee also considered the use of alternative performance measures by the Group and concluded that they were appropriate and that there is an appropriate balance between statutory and alternative performance measures, ensuring equal prominence. The Committee concluded that the Burberry Annual Report 2025/26, taken as a whole, is fair, balanced and understandable, and provides the information necessary to assess the Group's performance, business model and strategy.
Other matters	During the year, the Committee also considered management's papers on other subjects, including the application of the Group's accounting policy for restructuring, lease accounting and China deferred tax asset recoverability.

External auditor

Ernst & Young LLP (EY) commenced its first year of audit in FY 2020/21, following a competitive tender process. The current audit partner is Ben Marles who has held the role since 14 May 2025, replacing the previous audit partner who had served for five years in line with EY's policy on rotation of audit partners. The Committee considered that given EY's capabilities, the effectiveness of the external audit and relationship with Burberry, it is in the best interests of the Company not to put the external audit contract out to tender before the end of the current required period of 10 years. The next tender will be in respect of FY 2030/31 at the latest, and the process will be led by the Committee.

The Audit Committee oversees and assesses the work undertaken by EY, and in FY 2025/26 the Committee monitored and reviewed activities including:

- The audit plan, including audit strategy, scope and materiality
- The approach to risk assessment, including factors impacting the external environment and Burberry's business and strategy
- The approach to emerging topics such as UK corporate governance reform, specifically Provision 29
- The approach to auditing controls, the use of data analytics and how the auditor demonstrated robust professional scepticism
- The limited assurance work carried out on the TCFD disclosures and key data points in the corporate responsibility disclosures of the Strategic Report, including carbon emissions, supplier audits and the Group's sustainability performance, which are separate non-audit services provided by EY
- Reports at the half year and full year

In assessing how the auditor demonstrated professional scepticism, the Committee considered the level of objectivity EY demonstrated when challenging the Group's approach to its significant judgements and estimates.

During the year, the Committee met with the auditor without members of management being present.

Independence and effectiveness

One of the Committee's primary responsibilities is to make a recommendation on the appointment, reappointment and removal of the external auditor. Each year, the Committee assesses the qualifications, expertise, resources and independence of the external auditor and the effectiveness of the previous audit process. Over the course of the year, the Committee reviewed the audit process and the quality and experience of the audit partners engaged in the audit to satisfy itself that it received the highest quality audit possible. To support this assessment, a survey was sent to Audit Committee members and senior members of the Finance team requesting feedback across a range of factors that rate the effectiveness and independence of the audit. The Committee considered the results of the survey, noting the scoring of agree or strongly agree across all questions, and concluded that the external audit process was effective and confirmed the independence of EY.

The Committee's recommendation on the appointment and reappointment of the external auditor is free from influence by a third party and there are no contractual obligations which restrict the Committee's ability to make such a recommendation.

The Committee also reviewed the proposed audit fee and terms of engagement for FY 2025/26. Details of the fees paid to the external auditor during FY 2025/26 can be found in note 7 to the Financial Statements.

Audit Quality Review

The Company's FY 2024/25 audit was selected by the FRC for Audit Quality Inspection, with the assessment focusing primarily on: inventory provisioning, impairment and impairment reversals of retail store assets, provision for uncertain tax positions, revenue recognition and deferred tax asset recoverability. The Committee received and reviewed the final report from the Audit Quality Review team and were pleased to note the report identified no key or other findings. The Committee reviewed the FRC's report and discussed the outcome of the inspection with the external auditor.

Non-audit services

The Committee recognises that the independence of the external auditor is an essential part of the audit framework and the assurance that it provides. The Committee has adopted a policy which sets out a framework for determining whether it is appropriate to engage the Group's auditor for non-audit services and pre-approving non-audit fees. This policy reflects the International Ethics Standards Board for Accountants' Code of Ethics, which helps ensure high standards of independence and ethical behaviour are applied consistently by UK audit firms and their networks.

The overall objective of the policy is to ensure that the provision of non-audit services does not impair the external auditor's independence or objectivity. This includes, but is not limited to, assessing the following:

- Any threats to independence and objectivity resulting from the provision of such services; any safeguards in place to eliminate or reduce these threats to a level where they would not compromise the auditor's independence and objectivity; the nature of the non-audit services; and whether the skills and experience of the audit firm make it the most suitable supplier of the non-audit service
- The value of non-audit services that can be billed by the external auditor is restricted by a cap, which is set at 70% of the average audit fees for the preceding three years as defined by the FRC

During FY 2025/26 the non-audit services provided by Burberry's external auditor did not exceed this cap.

Proposed fees above £100,000 are approved in advance by the Chair of the Audit Committee. Non-audit services with a value below £100,000 and which are in line with the Group's policy have been pre-approved by the Audit Committee. Compliance with the policy of engaging the Group's auditor for non-audit services and pre-approving non-audit fees is reviewed and monitored by the Vice President, Group Risk and Audit. These fees must be activity based and not success related. At the half year and year end, the Audit Committee reviews all non-audit services provided by the auditor during the period, and the fees relating to these services.

During the year, the Group spent £0.4 million on non-audit services provided by EY (13% of the average of Group audit fees incurred over the last three years). The rationale for using the external auditor to perform these services was that EY was best able to provide the services we require at a reasonable fee and within the terms of our policy. No advisory services were provided by EY during FY 2025/26.

Where EY was selected to provide non-audit related services, EY's existing knowledge and experience of the Group were taken into account. Significant non-audit work performed by EY during FY 2025/26:

- Review of the half-year financial statements
- Limited assurance over TCFD reporting and certain sustainability disclosures as set out on page 47
- Turnover certificates
- Limited assurance over certain environmental and social key performance indicators

Further details can be found in note 7 to the Financial Statements.

Evaluation of risk management and internal controls

The Board is responsible for the Group's risk management and internal controls framework. Details of the Group's risk management processes and the management and mitigation of each principal risk, together with the Group's Viability Statement, can be found in our Risk and Viability Report on pages 95 to 105.

The Committee discharges its duties in respect of risk management by:

- Determining the nature and extent of the principal and emerging risks it is willing to accept to achieve the Group's strategic objectives (the Board's risk appetite)
- Challenging management's implementation of effective processes of risk identification, assessment and mitigation

The Audit Committee is responsible for reviewing the effectiveness of the Group's internal controls. Ongoing review of these controls is provided through internal governance processes and the work of the Group is overseen by management, particularly the work of the Group Internal Audit team and the Risk Committee. Regular reports on these activities are provided to the Audit Committee as reflected in the standing items on the Audit Committee agenda.

The Board, through the Audit Committee, has conducted a robust assessment of the principal and emerging risks and internal control framework. It has considered the effectiveness of the internal controls in operation across the Group for the year covered by the Annual Report and Accounts and up to the date of its approval by the Board. This review covered the material controls, including financial, operational, reporting and compliance, as well as risk management processes. No significant control weaknesses were identified. The internal controls are designed to manage rather than eliminate the risk of not achieving business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The process followed by the Board, through the Audit Committee, in regularly reviewing the system of internal controls and risk management processes complies with the Guidance on Risk Management, Internal Control and Related Financial and Business Reporting issued by the FRC. It also accords with the provisions of the Code. A management steering committee oversees the Group's internal control framework in response to the revisions of Provision 29 of the UK Corporate Governance Code, which apply to the Group from FY 2026/27. The steering committee reviews internal controls practices on an ongoing basis and recommends enhancements where required.

During FY 2025/26, the internal control framework was further embedded, with material controls refined and supported by defined effectiveness criteria and an agreed assurance plan. A preliminary assessment has been completed to assess the design and operating effectiveness of material controls. In FY 2026/27, the framework will operate in full to support the first year-end declaration.

Control environment

Our business model is based primarily on centralised design, product development, supply chain and distribution operations to supply products to global markets via retail channels, including digital and wholesale channels. This is reflected in our internal control framework, which includes centralised direction, resource allocation, oversight and risk management of the key activities of marketing and inventory management, as well as brand and technology development. We have also established procedures for the delegation of authorities to ensure that approval for matters considered significant is provided at an appropriate level. In addition, we have policies and procedures in place designed to support risk management across the Group. These include policies relating to treasury and the conduct of employees and third parties with whom we do business, including prohibiting bribery and corruption. These authorities, policies and procedures are kept under regular review.

The Group operates a 'three lines of defence' model, which helps to achieve effective risk management and internal control across the organisation.

- First line of defence: management owns and manages risk and is also responsible for implementing corrective actions to address process and control deficiencies
- Second line of defence: to help ensure the first line is properly designed, established and operating effectively, management has also established various risk management and compliance functions to help build and/or monitor the first line of defence. These include, but are not limited to, functions such as Group Risk Management, Legal, Brand Protection, Company Secretariat, Group Finance Compliance, Health and Safety, Data Protection and Asset and Profit Protection
- Third line of defence: Group Internal Audit provides the Audit Committee and management with independent and objective assurance on the effectiveness of governance, risk management and internal controls. This includes the way in which the first and second lines of defence achieve risk management and control objectives

Provision 29 activities

During both FY 2025/26 and FY 2024/25, the Audit Committee had oversight of and reviewed management's approach to readiness for Provision 29 of the UK Corporate Governance Code 2024, which the Company will be required to report compliance against for FY 2026/27. This has included the consideration of the scope of the Provision 29 internal controls framework covering operational, compliance and reporting controls and review of the roadmap to achieving compliance.

Management has updated the Audit Committee on the key activities undertaken which have included:

- The establishment of an Internal Controls Steering Committee, with regular meetings and representation from Group Risk, Finance, Sustainability Finance, Internal Audit, Legal and IT, with assigned leads to drive workstreams towards readiness
- COSO mapping of the entity-level controls and the framework that underpins the control environment
- The integration of principal risks together with wider operational, compliance, reporting and entity-level risks into a revised governance and controls framework. This includes defined accountability for risks and controls and clear design and operating criteria to support assessment and identification of areas requiring enhancement to meet the requirements of the Code provision
- The identification of a proposed subset of controls considered to be material, informed by management assessment, discussion with external consultants and peer company forums
- Following analysis of risk scenarios, the Audit Committee has established a subset of risks and controls to be classed as material for ongoing monitoring and reporting to the Board. These material controls represent the critical judgements and higher-level elements of the controls environment underpinning the Group's material operational, compliance and reporting risks
- Determining appropriate oversight of material risks and control frameworks through the Global Process Owners forum delegation from Board to Audit Committee to oversee/monitor material controls and the level of assurance over their effectiveness
- Performing testing of control operations across selected areas. Group Internal Audit intends to continue to support the Audit Committee through ongoing assurance as the framework is embedded during FY 2026/27

Internal Audit

The Audit Committee is responsible for the appointment of the Head of Internal Audit to manage the Group Internal Audit function. Following a change in personnel, in July 2025, and after carefully considering the requirements of the role, the Committee appointed the Vice President, Group Risk and Audit, who reports to the CFO but has an independent reporting line to the Chair of the Audit Committee, as the new Head of Internal Audit.

The scope of Internal Audit work is considered for each operating Company and Group function. This takes account of risk assessments, input from senior management and the Audit Committee, and previous audit findings. For example in FY 2025/26, the annual plan included assurance over strategic transformation and the maturity of controls across IT projects and operations. The plan also focused on assessing the maturity of controls across core processes in Finance, Supply Chain, Legal and Marketing. Changes to the Group's risk profile are considered on an ongoing basis and amendments are made to the Internal Audit plan as necessary during the year. Any proposed changes to the plan are discussed with the CFO and reported to the Audit Committee.

The effectiveness of Group Internal Audit is assessed every five years, with the latest review completed in April 2025.

Ongoing visibility of the internal control environment is provided through Internal Audit reports to management and the Audit Committee. These reports are graded to reflect an overall assessment of the control environment under review, and the significance of any control weaknesses identified, including fraud risk.

Remedial actions to address findings are identified and agreed with management. The Audit Committee places emphasis on actions being taken as a result of internal audits and regular reports are provided to the Audit Committee on the status of any overdue actions.

Financial reporting

Management is responsible for establishing and maintaining adequate internal controls over financial reporting. These are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external reporting purposes.

We have comprehensive planning, budgeting, forecasting and monthly reporting and management review processes in place. A summary of financial results, supported by commentary and performance measures, is provided to the Board each month.

In relation to the preparation of Group Financial Statements, the controls in place include:

- A centre of expertise responsible for reviewing new developments in reporting requirements and standards to ensure that these are reflected in Group accounting policies, Financial Statements and disclosures
- A global Finance function and governance structure consisting of colleagues with the appropriate expertise to ensure that Group policies and procedures are correctly applied. Effective management and control of the Finance function is achieved through our Finance Leadership team, comprising key finance colleagues from the regions, Burberry Business Services and our London headquarters

Our financial reporting process is supported by transactional and consolidation finance systems. Reviews of financial controls are carried out by the Group Financial Compliance team and attested to by senior members of the Finance function. The results of these reviews are considered by the Audit Committee as part of its monitoring of the performance of controls governing financial reporting.

The Audit Committee reviews the application of financial reporting standards and any significant accounting judgements made by management. These matters are also discussed with the external auditor.

Fair, balanced and understandable

As a whole, the Annual Report and Accounts are required to be fair, balanced and understandable, and to provide the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

On behalf of the Board, the Audit Committee considered if the fair, balanced and understandable statement could properly be given on behalf of the Directors. In making its assessment, it considered the process of the preparing the report.

The flow diagram below outlines the various stages and layers of collaboration and oversight involved in the production of the Annual Report and Accounts, demonstrating a clear and robust process.

To assist the Audit Committee with its consideration of whether the FY 2025/26 Annual Report and Accounts taken as a whole, is fair, balanced and understandable, members of the Annual Report Steering Committee provided assurance that:

- The report is open and honest
- Our challenges are covered alongside successes
- KPIs are clear, linked to strategy and show progress over time
- All material information relevant to shareholders is included
- Our business model, strategy and accounting policies are explained clearly and concisely
- We have a consistent tone throughout the report
- Sources of additional information are clearly signposted

The Audit Committee was satisfied that the processes followed and the assurances provided were sufficient to recommend to the Board that the fair, balanced and understandable statement could be given on behalf of the Directors.

Based on this recommendation, the Board is satisfied that it has met this obligation. A summary of the Directors' responsibilities in relation to the Financial Statements is set out on page 181. The Independent Auditor's Report on pages 182 to 191 includes a statement concerning the auditor's reporting responsibilities.



Summary of meetings

The Audit Committee typically meets four times a year. During FY 2025/26, the Committee held four meetings and the agenda items discussed are summarised in the table below. Details of attendance at Committee meetings are set out on page 133.

May 2025	• Reviewing the integrity of the Group's Financial Statements and Preliminary Results statement for FY 2024/25 • Reviewing the FY 2024/25 year-end key accounting judgements and estimates • External auditor's FY 2024/25 year-end audit results report • Internal Audit update, review of the Internal Audit forward plan and results of the five-yearly effectiveness review • Risk management and internal controls: reviewing the Group's internal financial, operational, reporting and compliance controls and risk identification and management process • Reviewing the Company's Going Concern and Viability statements considering the Group's financial position and management's assumptions and disclosures prior to approval by the Board • Consideration of the Group's TCFD disclosures • UK Corporate Governance Code 2024 compliance, including fair, balanced and understandable assessment • Effectiveness and independence of external auditor and recommendation for shareholders to re-appoint EY at the AGM • Legal risk update reviewing current and emerging risks across legal, brand protection, asset and profit protection and health and safety • Ethics Committee update, including the Group's approach to human rights and modern slavery and whistleblowing arrangements
July 2025	• Reviewing management's approach to cybersecurity, data privacy and related business continuity • Preparations for Provision 29 of the UK Corporate Governance Code 2024, further details of which can be found on page 137 • Review of store design and construction operational processes • Preparation for upcoming sustainability reporting regulations, including management's Double Materiality Assessment
November 2025	• Half Year financial reporting matters • External auditor's review at the Half Year and audit planning report for FY 2025/26 • Risk management update, including review of the principal risks disclosure for Half Year results • Internal controls update • Fraud risk approach, including management's response to the Economic Crime and Corporate Transparency Act 2023 failing to prevent fraud offence • Internal Audit update • Legal risk update reviewing current and emerging risks across legal, brand protection, asset and profit protection and health and safety • Ethics Committee report, including the Group's approach to human rights and modern slavery and whistleblowing arrangements
March 2026	• Pre-year-end update on significant judgements, estimates and disclosures • External audit control update and observations • Tax update and approval of the Group Tax Strategy • Treasury update and policy review • Sustainability reporting, including the Double Materiality Assessment • Risk management, including review of principal and emerging risks • Internal Audit update • Review of governance matters, including the Committee's terms of reference and an update on subsidiary company accounts • Business continuity update, including review of plans to strengthen resilience • Preliminary review of anticipated FY 2025/26 financial reporting matters • Review of major IT change projects and related governance oversight

DIRECTORS' REMUNERATION REPORT



Danuta Gray
Chair, Remuneration Committee

Areas of focus for FY 2025/26

- Directors' Remuneration Policy review and shareholder engagement
- Executive reward
- Broader employee reward
- External environment
- External reporting

Details of agenda items discussed at each Committee meeting are set out on page 176.

“The Committee valued shareholders' views as we shaped our executive remuneration proposals this year.”

Dear shareholder,

I am pleased to present to you the Directors' Remuneration Report for the year ended 28 March 2026 which has been approved by both the Remuneration Committee (the Committee) and the Board.

Review of the Directors' Remuneration Policy

In line with the normal three-year renewal cycle in the UK, our Directors' Remuneration Policy (the Policy) is being submitted for shareholder approval at our Annual General Meeting (AGM) in July 2026. In advance of this, the Committee completed a comprehensive review of Burberry's remuneration framework, and we are proposing a number of improvements to the Policy to ensure that it allows us to continue to retain, incentivise and recruit leaders of the required calibre to deliver our strategic ambitions.

Business context

Since Joshua Schulman's appointment as CEO and the launch of the Burberry Forward strategy in November 2024, we have seen customers return to the brand they love. Increased brand relevance and an improved product offer have resulted in a return to comparable sales growth and significant improvements in Group adjusted operating profit (£160 million) and in free cash flow generation in FY 2025/26. The positive momentum across the business has reinforced our conviction in Burberry Forward as the right strategic path. Under Josh's leadership, we are moving forward with confidence that we are well positioned for sustainable long-term value creation and with clarity on our opportunities for further growth.

Market context

Burberry is unique. We are the only UK-listed luxury fashion brand. We operate in a highly competitive sector and the direct peers with whom we compete for talent and sales are global companies based outside the UK. Our competitors are therefore not subject to the same governance expectations on remuneration that apply to a UK-listed company. It is in our shareholders' interests that we are able to compete with these companies for proven leaders with luxury experience who can recognise the strength of the Burberry brand and deliver long-term shareholder value.

In our review of the Policy, the Committee has considered market practice from two reference points. Our primary reference point is a group of our most relevant listed competitors, other global luxury brands including a number of companies based in the USA (these companies are set out on page 147). Our secondary reference point comprises UK-listed companies of a similar size and complexity to Burberry as the Committee is mindful of the importance of continuing to take into account UK market practice given our UK listing.

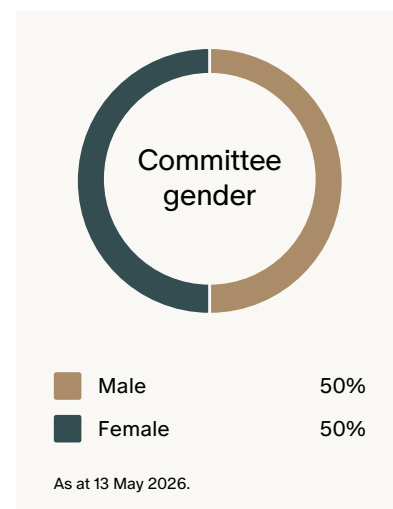
Policy review process and shareholder consultation

The Committee began reviewing the Policy shortly after the 2025 AGM. We started by evaluating our current Policy and identified a number of ways in which the Policy could evolve to support the delivery of our strategy over the coming years and continue to retain and incentivise our high-calibre executive management team. However, as the Company was still in the early stages of our Burberry Forward strategy, we decided that it would be more appropriate to undertake our shareholder consultation process later in the year after our third quarter trading update.

Remuneration Committee membership and meeting attendance during the year

Committee member	Member since	Meeting attendance
Danuta Gray (Chair)	1 December 2021	6/6
Fabiola Arredondo ¹	10 March 2015	1/1
Sam Fischer ¹	1 November 2019	1/1
Ron Frasch	1 September 2017	6/6
Orna NiChionna	3 January 2018	6/6
Alan Stewart	12 July 2023	6/6

1. Fabiola Arredondo and Sam Fischer retired from the Board on 16 July 2025 and stepped down as members of the Remuneration Committee on that date.
2. All Committee members attended all scheduled meetings.



This timing enabled us to give full consideration to tangible progress under Burberry Forward, including the results of the critical festive period and the reception to our Winter 2026 runway collection.

Following our third quarter trading update, we wrote to our major shareholders controlling approximately 60% of our issued share capital, as well as the key proxy bodies. Our Chair, Gerry Murphy, and I met with many of our largest shareholders and consulted with the major proxy bodies to discuss the proposed changes to the Policy and to seek feedback. I would like to take this opportunity to thank the shareholders and proxy bodies who took part in the consultation. The Committee greatly valued the input of our shareholders and we appreciated the opportunity to understand the range of shareholders' views as we shaped our executive remuneration proposals this year. We were pleased to find that the majority of these shareholders recognised the importance of retaining and incentivising our management team over the longer term and were therefore broadly supportive of the Committee's proposals. We were also pleased to hear the strong levels of support for the Executive Directors. The Committee carefully considered the range of feedback received and adapted our final proposals accordingly, as set out on page 144.

Proposed Policy changes

The key change being proposed is the introduction of performance share awards (PSP awards) to complement our existing restricted share awards (RSP awards), a combination that is referred to as a hybrid long-term incentive plan (hybrid LTIP). Both PSP and RSP awards will be granted under the Burberry Share Plan (the BSP), as amended subject to shareholder approval at the 2026 AGM. To date, RSP awards granted under the BSP have been referred to as BSP awards. In future, as both awards will be granted under the BSP, we will now refer to restricted share awards as RSP awards.

The proposed introduction of a hybrid LTIP takes into account the following factors:

- **Incentivisation:** we are confident that Burberry Forward is the right strategic path for Burberry, supported by our results for FY 2025/26. This is a critical time for Burberry and the introduction of a hybrid LTIP is designed to incentivise the senior leadership team to deliver on this strategy and achieve our stretching long-term ambitions, leading to increased brand value and the delivery of shareholder value.
- **Retention:** we have a high calibre Executive Committee, led by Josh. The Committee recognises the importance of retaining Josh and other leaders and incentivising them to continue to deliver Burberry Forward. The implementation of a hybrid LTIP is considered the most effective route to achieving this.
- **Market practice:** several of our luxury peers, particularly those based in the USA, operate a hybrid LTIP. As a result, it is a structure in which globally mobile luxury leaders increasingly expect to participate. The USA is an important talent market for Burberry, as evidenced by the appointment of Josh, a USA national and former CEO of USA businesses. In addition, we have sourced a number of members of our Executive Committee and other senior leaders from our global luxury peers, including companies based in the USA, France and Italy. The introduction of a hybrid structure will help Burberry to continue to retain, incentivise and recruit world-class leaders which is fully aligned with the interests of our shareholders.
- **Alignment:** by aligning reward with the delivery of stretching long-term targets, the introduction of PSP awards is intended to create even greater alignment between shareholders and Josh and the leadership team.
- **Shareholder feedback:** during previous consultations, a number of our shareholders expressed a preference for PSP awards to be used in conjunction with RSP awards.

Quantum – CEO

The Committee is proposing the following award levels to be granted to Josh under the BSP:

- New PSP award with a maximum opportunity of 300% of salary
- RSP award with a maximum opportunity of 150% of salary (reduced from 162.5% of salary)

In determining this award level, the Committee carefully considered pay practices from our two reference points noted on page 147 (the global luxury market and similarly sized UK-listed companies). The Committee has been mindful that no single comparator group will provide the 'right answer' and, although the UK market is a useful reference point (and includes a number of UK-listed companies that have recently introduced a hybrid LTIP), the luxury peer group is made up of the companies with which Burberry competes on a day-to-day basis and is therefore our primary reference point.

Josh's award levels have been chosen so as to be appropriately incentivising (aligning him with the delivery of the strategy), retentive (improving his positioning relative to our luxury peers), and reasonable (we are not seeking to match the median PSP opportunity of our USA peers in recognition of the fact that we are a UK-listed company). Although the Committee has not sought to match USA pay levels, we have been mindful of shareholder preferences by ensuring that the majority of the total long-term opportunity is in the form of PSP awards and subject to the delivery of stretching performance targets.

The Committee noted that this would be the first ongoing increase in the variable pay opportunity for the CEO role at Burberry since FY 2016/17 when we operated a performance share award at 325% of salary (which was subsequently converted, in line with best practice, to a restricted share award at 162.5% of salary following the 2020 AGM).

The Committee took account of shareholder feedback and following the consultation decided to reduce the RSP award level for Josh from 162.5% of salary to 150% of salary.

Market data for the peer groups is set out on page 147.

Approach for other senior leaders

RSP awards granted under the BSP currently extend to senior management roles across Burberry. The Committee is keen to align our most senior leaders with the CEO. Therefore, we are intending to extend the hybrid LTIP to a small number of senior roles including the CFO, Kate Ferry, and other members of the Executive Committee. The Committee believes that this will further support focus on the delivery of Burberry Forward.

The Committee is proposing the following award levels to be granted to Kate under the BSP:

- New PSP award with a maximum opportunity of 175% of salary
- RSP award with a maximum opportunity of 150% of salary (reduced from 162.5% of salary)

The Committee has set Kate's PSP opportunity at 175% of salary so as to appropriately incentivise her and recognise her important role in the successful delivery of Burberry Forward. This has been set above her RSP opportunity in line with shareholder expectations. This award level recognises the different market dynamics for the roles of CEO and CFO and takes into account market data from the peer groups set out on page 147.

In determining this award level, the Committee has taken into account Kate's significant contribution since joining Burberry in July 2023. She played a key role in stabilising the business through a very challenging period and was instrumental in Josh's onboarding as CEO. She then supported Josh on the development and delivery of the initial stages of Burberry Forward, including driving cost savings that positioned the business well for future success.

PSP award structure

The Committee is proposing to adopt a market-standard PSP award structure for a UK company. PSP awards will vest subject to stretching performance targets measured over three years. This will be followed by a two-year holding period for the Executive Directors only.

PSP award measures and targets

In developing the PSP award structure, the Committee has sought to avoid unnecessary complexity, to retain a strong link between executive reward and sustainable value creation, and to encourage the delivery of strategic priorities under Burberry Forward. The proposed PSP award measures are (i) revenue; (ii) return on invested capital (ROIC) and (iii) relative total shareholder return (TSR). Further details of the PSP award measures and targets can be found on pages 154 and 167.

Increased shareholding guidelines

The Committee understands the importance of aligning executives with the experience of our shareholders and requiring them to build up significant shareholdings. We are therefore proposing to increase the in-employment shareholding guideline for the CEO from 300% to 400% of salary. This is towards the upper end of UK market practice. The in-employment shareholding guideline for the CFO will remain at 300% of salary.

Remuneration outcomes for the Executive Directors for FY 2025/26

Annual bonus for FY 2025/26

The annual bonus for FY 2025/26 was based 75% on adjusted operating profit and 25% on performance against strategic objectives. The Group delivered a strong performance during the year, including adjusted operating profit of £160 million which was above the maximum target. Therefore, the adjusted operating profit element will pay out in full.

Based on its assessment of performance, the Committee determined that the strategic objectives for both Josh and Kate would pay out at 90% of maximum. This reflects their strong performance and delivery of the Burberry Forward strategy during FY 2025/26. Further details of their performance and the Committee's assessment are set out on pages 162 to 164.

The final bonus payout for FY 2025/26 for both Josh and Kate was 97.5% of maximum which the Committee considers to be appropriate in the context of their personal performance, the wider business performance and the broader shareholder experience. As a result, the Committee has not applied discretion in respect of the outcome.

Both Josh and Kate will be required to use 50% of their net bonus to acquire Burberry shares until they have satisfied their shareholding guideline.

2023 BSP award outcome

Kate's 2023 BSP award is due to vest in July 2026. This was her first BSP award, granted only 10 days after she joined Burberry in July 2023, by which time the performance underpins had already been determined. These underpins are based on revenue, ROIC and brand and sustainability strategies. The Committee has assessed performance and determined that the underpins linked to brand and sustainability strategies have been met but the revenue and ROIC underpins have not been met.

An underpin not being met triggers a review by the Committee as to whether or not it would be appropriate to scale back the level of vesting under the BSP, taking into account that the purpose of the underpins is to act as a 'safeguard' to ensure that awards do not pay out if the Company has underperformed, as opposed to being stretching performance targets.

The Committee has carefully considered our underpin assessment framework and has balanced the following considerations:

- **Successful achievement of the brand and sustainability strategy underpins:**
 - **Brand:** after the launch of our Burberry Forward strategy in November 2024, in partnership with the CEO, Kate played a key role in delivering a series of actions to stabilise the business and position the brand for future growth under our Timeless British Luxury expression. Notable achievements included helping to reduce our inventory and reducing the cost base of the business through the delivery of operating cost saving initiatives. By the end of FY 2025/26, our brand expression had gained momentum, delivering strong growth in our core product categories through coherent storytelling with cultural relevance for global audiences utilising an expanded talent ecosystem.
 - **Sustainability:** Burberry made good progress against its sustainability and carbon reduction goals across the three-year period, delivering a 14.2% reduction in Scope 1 and 2 emissions between FY 2023/24 and FY 2025/26. Targeted operational, sourcing and supplier initiatives resulted in year-on-year reductions in Scope 3 emissions across the same period.
- **Context of financial performance:** the primary reason that the underpins have been missed is that they were set under the previous strategy. The Group is delivering encouraging signs of improvement through the transition to Burberry Forward which was implemented after Josh was appointed as CEO in 2024. In addition, since 2023 there has been a slowdown in global luxury demand which has impacted financial performance and contributed to the revenue and ROIC underpins being missed.
- **Accountability:** the BSP underpins were based on the strategy and budgets developed by the previous executive management team prior to Kate's appointment as CFO. The Committee does not consider Kate accountable for the previous strategy and acknowledges that she inherited legacy capital investment decisions which have continued to impact performance into her tenure.
- **Recent performance on revenue and ROIC:** the Committee took into account the Group's encouraging performance since the launch of Burberry Forward in November 2024, including the following:
 - **Revenue:** total Group revenue for FY 2025/26 was flat versus FY 2024/25 at CER*, an improvement versus the 15% decline the previous year, with comparable sales up 2% year-on-year. The Group also delivered higher quality revenue across all channels and regions, as we returned to a shorter, shallower and more discrete markdown period.
 - **ROIC:** Group ROIC was 5.5% in FY 2025/26, representing a year-on-year improvement of 4.5% points, driven by an improvement in profitability, reductions in borrowings and lease debt.
- **Shareholder alignment:** Kate's award was granted in July 2023 with the number of shares determined using a share price of £21.8217. Based on the three-month average share price as at 28 March 2026 (£11.69), there has effectively been a reduction in the value of the CFO's award of approximately 46%.

This reduction has already delivered a strong alignment between the value of Kate's award and the experience of shareholders over the period since grant.

- **Remuneration decisions:** in addition to the reduction in the value of her 2023 BSP award due to the current share price, Kate's remuneration has already been heavily impacted by the company's performance and the grant value of her 2024 BSP award was reduced by 20% in line with the approach taken for all 2024 BSP participants.
- **Individual performance:** Kate has made a significant contribution to Burberry since her appointment and played a key role in the development and initial delivery of Burberry Forward.

After careful consideration of these factors and taking into account the views expressed by some of our shareholders, the Committee has agreed to scale back the vesting of the CFO's 2023 BSP award by 20%. The Committee considers this an appropriate reduction that balances the fact that two underpins have not been met with the mitigating factors set out above.

A holding period of two years will apply following vesting.

Response to shareholder and proxy body feedback

As discussed on pages 141 and 142, the Committee undertook an extensive shareholder consultation process. The Committee made a number of refinements to our approach in direct response to the feedback from the consultation. These included the following:

- **Reduction to the RSP award level:** the Committee's original proposal preserved the RSP award at its current award level (162.5% of salary). Although many shareholders were comfortable with this, a number of shareholders expressed a preference for a reduction to the RSP award to acknowledge the introduction of the PSP award. As a result, the Committee determined to reduce the RSP award to 150% of salary. The Committee considers the overall award levels appropriate, taking into account that increasing the total compensation and improving Burberry's positioning relative to our luxury peers is a fundamental aim of the new Policy.
- **PSP performance target ranges:** the proposed target ranges take into account the feedback received during the consultation, in particular the stretching level of performance expected by shareholders for maximum vesting. We have set targets based on a range of factors including: (i) our internal four-year financial plan; (ii) analyst estimates for Burberry for the next three years; (iii) historic performance; and (iv) independent expectations for growth in the luxury market. In line with best practice, achieving budget/consensus over the next three years would result in a partial vesting of the PSP award between threshold and maximum, with maximum vesting requiring the delivery of truly exceptional performance, including the delivery of revenue of £3.1 billion at CER by FY 2028/29 (a compound annual growth rate of c.9% from FY 2025/26, ahead of external expectations for the luxury market).
- **2023 BSP award reduction:** the Committee took the opportunity while speaking to shareholders on the Policy to also discuss our intended approach to the 2023 BSP underpins. Shareholders were sympathetic to the considerations above and several of them would have been comfortable for no reduction to have been made. However, some shareholders were mindful of the risk of setting a precedent and therefore expressed a preference for the 2023 BSP award to be scaled back.

During the consultation process we received a number of consistent questions. For transparency, our answers to those questions are set out on pages 146 and 147.

* This measure removes the effect of changes in exchange rates compared to the prior period.

Approach to remuneration for FY 2026/27

Salary and Board fees

Having carefully considered the broader context and the approach for the wider workforce, the Committee determined that the Executive Directors and the Chair would receive a salary/fee increase of 3% with effect from 1 July 2026. This aligns with the budgeted rate for our broader UK workforce.

The Board determined that the fee for the Senior Independent Director would increase to £35,000 with effect from 1 July 2026 and that there would be no other increases to the Non-Executive Directors' fees for FY 2026/27.

Annual bonus

The annual bonus structure for FY 2026/27 for the Executive Directors will be broadly unchanged. The maximum bonus will continue to be 200% of salary. The annual bonus will be based 75% on adjusted operating profit and 25% on performance against strategic measures aligned to year two of the Burberry Forward strategy. Further details are provided on page 164.

2026 RSP and PSP awards

Subject to shareholder approval at the 2026 AGM, RSP and PSP awards will be granted under the BSP in July 2026.

The 2026 RSP awards will be granted on the same basis as the 2025 BSP awards but at the reduced award level of 150% of salary. RSP awards will continue to be subject to the same performance underpins: (i) revenue, (ii) ROIC and (iii) brand and sustainability. The Committee considers that these underpins continue to represent a well-rounded and balanced approach to safeguarding the financial stability of the business, delivering our Burberry Forward strategy and enhancing the long-term value of the brand. Further details are set out on page 168.

It is proposed that the 2026 PSP award will be granted at 300% of salary for the CEO and 175% of salary for the CFO. Awards will be subject to three equally-weighted performance measures: (i) revenue (one-third of award), (ii) ROIC (one-third of award) and (iii) relative TSR (one-third of award). The Committee will review the choice of measures and target ranges prior to each future award to ensure that they continue to be aligned with and appropriately reflect our strategy. Further details are set out on pages 167 and 168.

Subject to the performance measures and performance underpins above, PSP and RSP awards will vest after three years and will then be subject to a two-year post-vesting holding period.

Broader employee reward

Burberry is committed to being a responsible employer and to rewarding our people fairly and transparently. As part of our Burberry Forward strategy, we are focused on reigniting a high-performance culture and living our values, recognising strong performance through reward. We are simplifying performance and reward processes (for example, our approach to year-end performance assessment) and providing greater transparency on reward.

In the UK, where we are a Principal Partner of the Living Wage Foundation and an accredited UK Living Wage employer, we implemented a pay increase in April 2026 of 5.5% outside London and 5.7% in London for colleagues eligible for Living Wage increases. This was above the recommended rates set out by the Living Wage Foundation for the third year in a row and positively impacted around 550 colleagues. All other eligible colleagues will receive salary increases at the usual time in July 2026.

We are pleased to make a payout under the annual corporate bonus plan for FY 2025/26 to eligible colleagues based on adjusted operating profit, sustainability metrics and individual performance. We also refreshed our Retail Variable Pay Plan to ensure that the variable reward of our retail teams is fully aligned with the Burberry Forward strategy.

In December 2025, we granted our annual award of free shares to all colleagues globally. We also offered Sharesave in 17 countries and territories. For our management population, July 2025 saw the vesting of the 2022 BSP awards.

The Committee recognises the significance of meaningful communication with our workforce on performance and reward. In March we once again held a dedicated session with our Global Workforce Advisory Forum on remuneration at Burberry. This session gave Forum members the opportunity to share their views and ask questions. Forum members reported positive feedback about working at Burberry, including a strong sense of pride in the brand and connection with our purpose. The Committee greatly values the high levels of engagement shown by Forum members and the insight into our culture that our meetings provide. I also ensure that the perspectives of our workforce are considered in Committee meetings. These touchpoints allow the Committee to take into account the alignment of our reward programmes with culture when setting remuneration for the Executive Directors.

Additional details on reward for the broader workforce and its alignment with the Executive Directors' remuneration can be found on page 149.

Committee effectiveness

The Committee's annual performance and effectiveness review was undertaken as part of the internally facilitated Board effectiveness review and I am pleased to note that the review confirmed that the Committee operates well and provides effective support to the Board. Further information on the process is set out on page 125.

2026 AGM

The Committee, together with the Board, believes that the proposals outlined in this letter are in shareholders' interests and will support the delivery of the Burberry Forward strategy and the creation of long-term, sustainable shareholder value. I look forward to receiving your support for the Directors' Remuneration Report and the 2026 Directors' Remuneration Policy at the AGM on 15 July 2026.

Danuta Gray

Chair, Remuneration Committee

NEW DIRECTORS' REMUNERATION POLICY – FREQUENTLY ASKED QUESTIONS

What other approaches did the Committee consider?

- During our review, the Committee considered a wide range of alternative approaches including the following:
 - An important aspect of the proposals is reducing the remuneration gap to our closest luxury peers. The Committee considered doing so, in part, through an increase to the annual bonus maximum. However, we were mindful of shareholders' preference for longer-term alignment and determined that the introduction of a PSP was the most appropriate way of improving our pay positioning and to align the senior leaders with the long-term strategy.
 - The Committee also considered the merits of a one-off long-term plan. Although a one-off plan could help to incentivise the delivery of the strategy, the Committee determined that annual grants of PSP awards were preferable in order to create a genuine long-term outlook and to mitigate the risk of cliff-edge vesting which could lead to potential retention concerns in the future.
- Ultimately, the Committee decided that a hybrid LTIP was the most appropriate structure for Burberry at this time in order to continue to incentivise the delivery of Burberry Forward and to retain and incentivise our management team over the longer term.

Why does the Committee think now is the time to move to a hybrid LTIP when it has previously been satisfied with a restricted share plan?

- The 2026 renewal of the Policy comes at a critical time for Burberry under the leadership of Joshua Schulman as CEO. Joshua has outlined a new strategic path for Burberry under the Burberry Forward strategy, and the introduction of performance-based share awards is designed to continue to incentivise our senior leaders to deliver on this strategy and achieve our stretching long-term ambitions.
- The Committee has also been mindful that many of our luxury peers operate hybrid LTIPs. As a result, it is the structure in which globally mobile leaders of the calibre required to run a luxury brand like Burberry increasingly expect to participate.

How would the introduction of a hybrid LTIP support the successful delivery of the Burberry Forward strategy and align with shareholders' interests and support the creation of sustainable long-term value?

- Burberry Forward is our strategic plan to reignite brand desire, improve performance and drive long-term value creation. The introduction of a performance-based long-term incentive will directly align our leaders' reward with the long-term delivery of Burberry Forward.
- Revenue and ROIC are two critical strategic KPIs which the Committee considers will provide an appropriate assessment of the successful delivery of the strategy. The Committee has set stretching revenue and ROIC targets which are aligned with our ambitions under Burberry Forward as set out on pages 167 and 168.
- The use of relative TSR complements the use of the two financial measures by directly aligning the payout with the experience of our shareholders, with vesting requiring the outperformance of our closest sector peers.
- RSP and PSP awards will both be subject to post-vesting holding periods so that the Executive Directors are aligned with the share price and the experience of shareholders until five years from the date of grant.

Why are you proposing the use of revenue and ROIC for both the RSP and PSP awards?

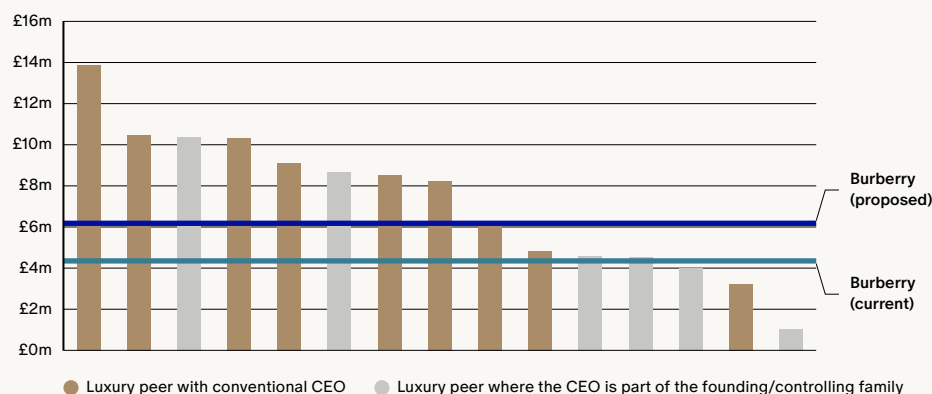
- RSP and PSP awards will perform different roles within our reward framework.
- The purpose of the PSP award performance measures is to incentivise the delivery of our long-term strategic priorities. The RSP award underpins act as a trigger for the Committee to ensure that RSP awards do not pay out if the Company has underperformed and vesting is not justified, as opposed to being stretching performance targets.
- Naturally there is some overlap between the two. The Committee considers that revenue and ROIC are both equally appropriate as PSP performance measures and RSP underpins, given their alignment to our strategic ambitions.

What was the Committee's approach to benchmarking?

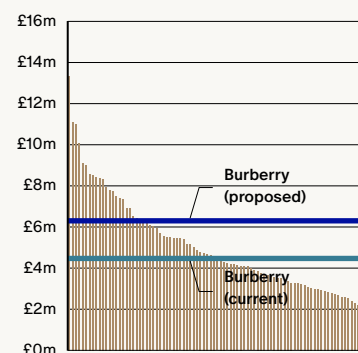
- The Committee considered benchmarking data for two peer groups. Our primary peer group of listed luxury peers is made up of the following companies: Brunello Cucinelli, Canada Goose, Capri Holdings, Hermès, Hugo Boss, Kering, LVMH, Moncler, Prada, PVH Corp., Ralph Lauren Corporation, Richemont, Salvatore Ferragamo, Tapestry Inc and Zegna Group. These are the listed companies which currently comprise our peer group for the relative TSR measure for PSP awards. The secondary peer group is made up of the constituents of the FTSE 100.
- The charts below set out total target compensation data for the CEO compared to our two peer groups.
- A nuance of the luxury market is that several of our peers have a CEO who is part of, or connected to, the company's founding/controlling family. In the majority of these cases, the CEO has comparatively modest remuneration arrangements as shown below.
- The Committee also noted that both LVMH and Hermès have significantly larger market capitalisations than Burberry. However, as a result of their CEOs being part of the founding/controlling family, their target total compensation is positioned below the median of the group despite them being the largest companies in the peer group. The inclusion of LVMH and Hermès in the peer group does not inappropriately increase the market data.
- The Committee also considered the recent implementation of hybrid LTIPs in other UK-listed companies.

CEO total target compensation data

1. Luxury peer group



2. FTSE 100



CEO total target compensation	Lower quartile	Median	Upper quartile
Luxury peer group	£4.55m	£8.24m	£9.72m
Luxury peer group (excluding where the CEO is part of the founding/controlling family)	£6.16m	£8.50m	£10.32m
FTSE 100	£3.26m	£4.48m	£6.23m
Burberry (current)		£4.47m	
Burberry (proposed)		£6.30m	

AT A GLANCE

Summary of changes to the Directors' Remuneration Policy, remuneration approach for FY 2025/26 and approach to implementation for FY 2026/27.

Element	Approach for FY 2025/26	Approach for FY 2026/27	Changes to Directors' Remuneration Policy
Base salary	Salaries from 1 July 2025: - Joshua Schulman (CEO) – £1,200,000 - Kate Ferry (CFO) – £675,000	After full consideration of the broader context the Committee awarded the CEO and the CFO a salary increase of 3% in line with the approach for the wider UK workforce. Salaries from 1 July 2026: - Joshua Schulman (CEO) – £1,236,000 - Kate Ferry (CFO) – £695,250	No change
Pension	Pensions for FY 2025/26 were in line with the maximum employer pension contribution available to the majority of the UK workforce (currently 10% of salary).	No change for FY 2026/27.	No change
Benefits	The cash benefits allowance for Kate Ferry (CFO) for FY 2025/26 was £20,000. Joshua Schulman did not receive a cash benefits allowance. Non-cash benefits principally include private medical, long-term disability insurance and life assurance. Joshua Schulman received payment of a housing allowance associated with his relocation from New York to London. Further details are set out on page 161.	No change for FY 2026/27.	No change
Annual bonus	Maximum annual bonus of 200% of salary. Performance measures: 75% adjusted operating profit 25% strategic objectives Executive Directors are required to invest 50% of any net bonus into Burberry shares until the shareholding guideline is met. Malus and clawback provisions apply.	No change for FY 2026/27.	No change
Burberry Share Plan – restricted share plan awards	Maximum restricted share plan (RSP) annual award levels: - Joshua Schulman (CEO) – 162.5% of salary - Kate Ferry (CFO) – 162.5% of salary Awards vest in full after three years subject to achievement of performance underpins and are subject to a holding period to the fifth anniversary of grant of award. Details of the performance underpins for the 2025 awards are set out on page 166. Malus and clawback provisions apply.	Maximum RSP annual award levels: - Joshua Schulman (CEO) – 150% of salary - Kate Ferry (CFO) – 150% of salary Details of the performance underpins for the 2026 awards are set out on page 168.	Reduction of maximum award levels from 162.5% to 150% of salary
Burberry Share Plan – performance share plan awards	N/A	New Performance Share Plan (PSP) introduced. Maximum PSP annual award levels: - Joshua Schulman (CEO) – 300% of salary - Kate Ferry (CFO) – 175% of salary Awards subject to a three-year performance period with a holding period to the fifth anniversary of grant of award. Details of the performance measures for the 2026 awards are set out on pages 167 and 168. Malus and clawback provisions apply.	Introduction of new PSP awards
Shareholding guideline	In-employment shareholding guideline: 300% of salary Post-employment shareholding guideline: 300% of salary (or actual shareholding if lower) for two years after stepping down as an Executive Director.	In-employment shareholding guideline: 400% of salary for Joshua Schulman (CEO) and 300% of salary for Kate Ferry (CFO). Post-employment shareholding guideline: 100% of in-employment shareholding guideline (or actual shareholding if lower) for two years after stepping down as an Executive Director.	Increased in-employment shareholding guideline for the CEO to 400% of salary No other changes

The Committee considers that the Directors' Remuneration Policy operated as intended during FY 2025/26.

BROADER EMPLOYEE REWARD AT BURBERRY

At Burberry, our reward philosophy is to provide our colleagues across the Group with fair, equitable and competitive total reward. Our total reward framework is aligned to our Reignite a High-performance Culture pillar and designed to support our purpose, values and strategy, inspiring our colleagues to deliver outstanding results. Our framework is cascaded across the Group and consists of the following key components:

Element	How we reward and support our colleagues
Base salary All colleagues receive a fair and equitable market-driven salary.	- We review salaries on an annual basis through our pay review process with increases differentiated for performance and the relative pay position of the colleague compared with internal peers and the local market. The global 2026 pay review budget was set at 3%. - In the UK, where we are a Principal Partner of the Living Wage Foundation and an accredited UK Living Wage employer, we implemented a pay increase in April 2026 of 5.5% outside London and 5.7% in London for around 550 colleagues eligible for Living Wage increases. For the third year in a row, these increases were above the recommended rates set by the Living Wage Foundation. Executive Director alignment: the Committee considers any salary increases in the context of business performance, the broader shareholder experience and our approach for the wider workforce. The Committee determined that the salaries for the Executive Directors would increase by 3% in line with the approach for the wider UK workforce.
Benefits The wellbeing of our colleagues plays an important role in how we build high-performing teams, nurture strong leaders and support colleagues on their journey with us. All colleagues are eligible to participate in a range of market-driven benefits, including those promoting wellbeing and supporting saving for retirement.	Our global benefits offer includes: - Parental Leave Policy providing all eligible new parents with 18 weeks' paid leave - Wellbeing days (in addition to annual leave entitlement) providing paid time off during the year - Volunteering Policy providing colleagues with three paid volunteering days per year - Employee discount and product sales - Long service awards at each five-year milestone - Pension schemes available in line with local market practice - Access to our Employee Assistance Programme Executive Director alignment: Executive Directors receive a pension allowance in line with the rate available to the majority of our UK workforce. They are eligible for a range of market-typical non-cash benefits.
Variable pay All colleagues are eligible for short-term variable pay plans to recognise and reward both business and individual performance.	- Bonuses have been awarded to eligible colleagues under the annual corporate bonus plan for FY 2025/26 based on adjusted operating profit, sustainability metrics and individual performance. - During FY 2025/26 we refreshed our Retail Variable Pay Plan to ensure that our retail teams are aligned with the Burberry Forward strategy. Executive Director alignment: Group adjusted operating profit, sustainability and individual/strategic performance targets apply to the bonuses for the Executive Directors and participants in the annual corporate bonus plan.
Share plans All colleagues are eligible to participate in Burberry share plans to recognise and reward their contribution and to enable them to share in the long-term success of our Burberry Forward strategy.	We offer the following share plans at Burberry: - Free Share Plan: gives all colleagues the opportunity to participate in our future success through an annual award of free shares with a value of approximately £500 - Sharesave: provides the opportunity for colleagues to save monthly from their pay up to a maximum of £500 per month and buy shares at a 20% discount to the market price at grant - Burberry Share Plan (BSP): rewards approximately 600 of our senior colleagues for delivering on our long-term strategy through an annual share award that vests after three years, subject to continued employment, with the next annual vesting in July 2026 Executive Director alignment: Executive Directors are eligible to participate in our share plans.

2026 DIRECTORS' REMUNERATION POLICY

Burberry's Directors' Remuneration Policy as set out in this report (the 2026 Directors' Remuneration Policy) will be put to shareholders for approval at the 2026 AGM to be held on 15 July 2026. If approved, the 2026 Directors' Remuneration Policy will apply to payments made and share awards granted from the date of the 2026 AGM.

The Committee believes that Burberry's executive remuneration should be simple and transparent while being linked to business performance and strategic direction, taking into account the global markets in which the Company operates and from which it recruits talent as well as our approach to remuneration throughout the Group.

Summary of decision-making process and changes to Directors' Remuneration Policy

As discussed in the letter from the Chair of the Committee, during the year the Committee undertook a review of the Directors' Remuneration Policy and its implementation to ensure that it supports the execution of strategy and the delivery of sustainable long-term shareholder value. Throughout the review process, the Committee took into account the 2024 UK Corporate Governance Code, wider workforce remuneration and emerging best practice in relation to Executive Director remuneration. The Committee also considered input from management and our independent advisors as well as considering guidance from major shareholders. The Committee considers the potential for conflicts of interest and manages them as necessary. No Director was present when their own remuneration was discussed.

The main change to the Directors' Remuneration Policy is the introduction of performance share plan awards (PSP) and the reduction of the maximum opportunity under the restricted share plan awards (RSP) from 162.5% to 150% of salary. PSP awards will be subject to a three-year performance period, with vesting contingent on the achievement of pre-determined performance measures. The PSP awards will also be subject to a post-vesting holding period to the fifth anniversary of grant. The maximum RSP award has been reduced from 162.5% of salary to 150% of salary. In addition, the in-employment shareholding guideline for the CEO will be increased from 300% to 400% of salary. Other minor changes have been made to the wording of the Directors' Remuneration Policy to increase flexibility, to aid operation, to increase transparency and to reflect typical market practice. Further details are provided in the letter from the Chair of the Committee set out on pages 141 to 145.

Policy table – Executive Directors

Base salary

To recognise the responsibilities and experience of our Executive Directors in a competitive global environment.

Operation	Maximum opportunity	Performance measures
The Committee sets base salary taking into account: - The individual's skills, experience, performance and overall contribution to the business - Salary levels at other companies of a similar size and complexity in both the UK and the broader luxury sector - Pay and conditions elsewhere in the Group - The impact of any base salary increase on the total remuneration package Any salary increases are normally effective from 1 July.	While there is no maximum salary, increases will normally be in line with or below the typical increases (in percentage terms) awarded to other employees in the Group. However, increases may be above this level in certain circumstances, including (but not limited to): - Where an Executive Director has been appointed to the Board at a lower than typical market salary to allow for growth in the role, larger increases may be awarded to move salary positioning closer to typical market level as the Executive Director gains experience and performance warrants this - Where an Executive Director has been promoted or has had a change in responsibilities - Where there has been a significant change in market practice - Where there has been a significant change in the size and/or complexity of the business	N/A

Pension

To support planning for retirement.

Operation	Maximum opportunity	Performance measures
Executive Directors participate in defined contribution arrangements. Participants may elect to receive some or all of their entitlement as a cash allowance.	The maximum Company contribution or allowance for the Executive Directors is aligned with the maximum Company pension contribution available to the majority of the UK workforce (currently 10% of salary).	N/A

Other benefits and allowances

To provide competitive benefits and promote wellbeing.

Operation	Maximum opportunity	Performance measures
Executive Directors may receive a cash allowance to cover a range of benefits typically provided in the luxury market, such as clothing and a car. Cash allowances are currently up to £50,000 per annum. Other benefits for Executive Directors may include, but are not limited to: • Private medical insurance • Life assurance • Long-term disability insurance • Employee discount • Participation in all-employee share plans on the same terms and up to the same maximum amounts as other employees Reasonably incurred expenses will be reimbursed. The Company may meet any tax liabilities which may arise on expenses. The Committee may introduce other benefits for the Executive Directors if this is considered appropriate taking into account the individual's circumstances, the nature of the role and practice for the wider workforce. Where an Executive Director is required to relocate to perform their role, appropriate one-off or ongoing benefits may be provided (such as housing, schooling etc).	The cost of the provision of allowances and benefits varies from year to year depending on the cost to the Company and there is no prescribed maximum limit. However, the Committee monitors annually the overall cost of the benefits provided to ensure that it remains appropriate.	N/A

Annual bonus

To incentivise and reward our Executive Directors for achieving annual targets linked to the execution of the Company's strategy.

Operation	Maximum opportunity	Performance measures
Annual bonuses are normally paid in cash. Executive Directors are required to invest 50% of any net bonus earned into Burberry shares until shareholding guidelines are met. Bonuses are not pensionable. Discretion: the Committee may determine that it is appropriate to adjust the bonus outcome if, for example, outcomes are not considered to be reflective of underlying financial or non-financial performance of the business or the performance of the individual, where targets are no longer considered appropriate or where the outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders. Any adjustment would be within the limits of the 2026 Directors' Remuneration Policy. Clawback provision: during the period of three years from the date of payment, the Company may seek to recover any bonus from individual Executive Directors in whole or in part in the event of a material misstatement in the Company's audited financial statements, if the bonus outcome has been incorrectly calculated or where the participant has engaged in serious misconduct (including breach of a Company policy) which results in serious reputational damage for the Company and/or which justifies, or could justify, summary dismissal of the participant.	Maximum annual bonus opportunity of 200% of base salary. Normally, 50% of the bonus shall pay out for target levels of performance with up to 25% of the bonus paying out for threshold levels of performance. The Committee has the discretion to adjust the portion of the award that pays out for threshold and/or target performance if appropriate.	The Committee shall determine performance measures and targets for the bonus each year. These may include financial measures (for example profitability) and other measures linked to the delivery of the business strategy or business operations, environmental and social strategy or individual performance. In normal circumstances no less than 70% of the annual bonus will be based on financial measures. The Committee has the discretion in exceptional circumstances to adjust existing performance targets and/or set different measures if events occur outside management's control or where the target no longer satisfies its original purpose of ensuring that pay is aligned with performance. Targets are normally set with reference to budget, the strategic plan, long-term financial goals and market expectations. Targets are considered to be commercially sensitive and will be disclosed retrospectively following completion of the relevant financial year provided they are no longer commercially sensitive.

Burberry Share Plan (BSP): restricted share awards (RSP)

To focus our Executive Directors on, and reward them for, sustainable long-term performance and successful execution of the Company's long-term strategy.

To align our Executive Directors' interests with those of shareholders.

Operation	Maximum opportunity	Performance measures
Awards are structured as either conditional rights to receive shares on vesting or nil-cost options. Awards will normally vest three years from the date of grant of the award, subject to performance underpins. A post-vesting holding period normally applies to RSP awards, typically on a net-of-tax basis. Shares that vest will normally be subject to a sale restriction until the fifth anniversary of the date of grant of the award, aside from in very limited circumstances. If the Company does not meet one or more performance underpins at the date of vesting then the Committee would consider whether it was appropriate to scale back the number of shares that vest under the award. Dividend equivalents may be paid in shares or in cash in respect of shares that vest. Discretion: the Committee may determine that it is appropriate to adjust the vesting outcome if, for example, outcomes are not considered to be reflective of the underlying financial or non-financial performance of the business or the performance of the individual, where underpins are no longer considered appropriate or where the outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders. Any adjustment would be within the limits of the 2026 Directors' Remuneration Policy, although it would be exceptional. Malus and clawback provision: unvested shares or awards may be forfeited or vested shares may be clawed back during the period of six years from the date of grant in whole or in part in the event of a material misstatement in the Company's audited financial statements, if the vesting outcome has been incorrectly calculated or where the participant has engaged in serious misconduct (including breach of a Company policy) which results in serious reputational damage for the Company and/or which justifies, or could justify, summary dismissal of the participant.	Maximum awards are 150% of base salary.	Performance underpins may be based around key financial and/or strategic measures and/or share price measures. Performance underpins for awards granted in 2026 will relate to financial measures and strategic and sustainability objectives. The Committee may use different performance underpins for future awards if deemed appropriate. Performance underpins will be set taking into account the business strategy and to ensure failure is not rewarded. Performance underpins will normally be disclosed ahead of each annual grant. Details of the performance achieved against the underpins will normally be disclosed.

Burberry Share Plan (BSP): performance share awards (PSP)

To focus our Executive Directors on, and reward them for, stretching and sustainable long-term performance and successful execution of the Company's long-term strategy.

To retain and incentivise our Executive Directors of the required calibre to deliver the Company's strategy.

To align our Executive Directors' interests with those of shareholders.

Operation	Maximum opportunity	Performance measures
Awards are structured as either conditional rights to receive shares on vesting or nil-cost options. Awards will normally vest following the end of a three-year performance period, subject to performance conditions. A post-vesting holding period normally applies to PSP awards, typically on a net-of-tax basis. Shares that vest will normally be subject to a sale restriction until the fifth anniversary of the date of grant of the award, aside from in very limited circumstances. Awards under the PSP, including the determination of any relevant performance conditions, will be considered and determined, on an annual basis, at the discretion of the Committee. Dividend equivalents may be paid in shares or in cash in respect of shares that vest. Discretion: the Committee may determine that it is appropriate to adjust the vesting outcome if, for example, outcomes are not considered to be reflective of the underlying financial or non-financial performance of the business or the performance of the individual, where conditions are no longer considered appropriate or where the outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders. Any adjustment would be within the limits of the 2026 Directors' Remuneration Policy, although it would be exceptional. Malus and clawback provision: unvested shares or awards may be forfeited or vested shares may be clawed back during the period of six years from the date of grant in whole or in part in the event of a material misstatement in the Company's audited financial statements, if the vesting outcome has been incorrectly calculated or where the participant has engaged in serious misconduct (including breach of a Company policy) which results in serious reputational damage for the Company and/or which justifies, or could justify, summary dismissal of the participant.	Maximum awards are 300% of base salary. No more than 25% of the PSP award will vest for threshold performance, with full vesting taking place for equalling or exceeding the maximum target.	Performance measures may be based around key financial and/or strategic measures and/or share price measures. Performance measures for awards granted in 2026 will relate to revenue, ROIC and relative TSR. The Committee may use different performance measures for future awards if deemed appropriate. Targets will normally be set with reference to budget, the strategic plan, long-term financial goals and market expectations. The Committee has the discretion to amend the performance targets if events occur which cause the Committee to reasonably consider that it would be appropriate.

Shareholding guidelines

To align the interests of Executive Directors and shareholders and encourage long-term shareholding and commitment to the Company both during and after employment.

Operation	Maximum opportunity	Performance measures
Executive Directors are expected to build and maintain a holding of Company shares equal to at least 400% of base salary for the CEO and at least 300% of base salary for other Executive Directors. Executive Directors will normally be expected to maintain a minimum shareholding of 100% of their in-employment guideline (or actual shareholding if lower) for two years after stepping down as an Executive Director. The Committee retains discretion to waive this guideline if it is not considered appropriate in the specific circumstances.	N/A	N/A

Notes on share awards:

- Adjustment of share awards: the number of shares subject to an award (and the option price, where relevant) can be adjusted on a rights issue, special dividend, demerger or variation of capital or similar transaction. Subject to the plan rules, share awards can be satisfied by a cash payment equal to the value of shares the participant would otherwise have received. For Executive Directors, this provision will only be used in exceptional circumstances, such as where, for regulatory reasons, it is not possible to settle awards in shares.
- In respect of our share plans, this table presents a summary of the key and relevant information for the plan rules. These plans will operate in accordance with the relevant plan rules as approved by shareholders (where applicable).

Selection of performance measures and approach to target setting

The annual bonus is normally based on a combination of financial, strategic and environmental and social metrics to support the delivery of key business priorities.

RSP awards are subject to performance underpins. For 2026, awards will be linked to financial measures, brand and sustainability. These underpins have been selected as they are considered to be good yardsticks of the overall financial stability and sustainability of the organisation and are therefore aligned with shareholder value creation and the long-term interests of the Company.

PSP awards are subject to performance measures. For 2026, awards will be linked to relative TSR, revenue and ROIC. These performance measures have been selected as they are aligned with shareholder value creation and the long-term interests of the Company. Targets are set taking into account both internal and external assessments of future performance and what constitutes superior returns for shareholders. The Committee also retains the discretion within the 2026 Directors' Remuneration Policy to adjust the targets and/or set different measures and/or alter weightings for future awards.

Policy table – Non-Executive Directors

Purpose	Operation	Maximum annual opportunity
Chair – fees To attract and retain a high-calibre Chair by offering a market-competitive fee.	The Chair is paid a single fee for all responsibilities. The fee level is reviewed at appropriate intervals by the Committee, taking into account time commitment, the experience and calibre of the individual and personal contribution and fee levels at other companies of a similar size and complexity. The fee may be paid in cash and/or shares.	There is no maximum fee level or maximum fee increase.
Non-Executive Directors – fees To attract and retain high-calibre Non-Executive Directors by offering market-competitive fees.	The Non-Executive Directors are paid a basic fee. The Chairs of the Audit and Remuneration Committees and the Senior Independent Director are paid an additional fee to reflect their extra responsibilities and the required time commitment. Fee levels are reviewed at appropriate intervals by the Board, taking into account time commitment and fee levels at other companies of a similar size and complexity. The Company may pay an additional fee to a Non-Executive Director should the Company require additional time commitment or responsibilities. Fees may be paid in cash and/or shares.	There is no maximum fee level or maximum fee increase.
Chair and Non-Executive Directors – other benefits To enable the Chair and Non-Executive Directors to undertake their roles.	The Non-Executive Directors (other than the Chair) may receive a Board attendance allowance per meeting for attendance at Board meetings outside their country or territory of residence. Attendance allowances are paid in cash. As brand ambassadors, the Chair and Non-Executive Directors receive discounts on Burberry products. Reasonably incurred expenses will be reimbursed. The Company may meet any tax liabilities that may arise on expenses. Additional benefits may be introduced if considered appropriate. The Chair is eligible to receive healthcare cover and to have access to a car and driver.	Benefit levels are reviewed on an annual basis and the value can vary year on year. Any additional benefits will be set at a level appropriate to the role and the individual. The Company may meet any tax liabilities that may arise on expenses or benefits.

Approved payments

The Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the 2026 Directors' Remuneration Policy set out in the document where the terms of the payment were agreed (i) before the 2026 Directors' Remuneration Policy came into effect, provided that the terms of the payment were consistent with any applicable shareholder-approved Directors' Remuneration Policy in force at the time they were agreed or were otherwise approved by shareholders; or (ii) at a time when the relevant individual was not a Director of the Company (or other persons to whom the Directors' Remuneration Policy applies) and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company or such other person. For these purposes 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' no later than the time the award is granted. This Policy applies equally to any individual who is required to be treated as a Director under the applicable regulations.

Policy on recruitment and promotion arrangements

When determining the remuneration package for a newly appointed Executive Director, the Committee would seek to apply the following principles:

- The package should be market-competitive to facilitate the recruitment of individuals of sufficient calibre to lead the business. At the same time, the Committee would intend to pay no more than it believes is necessary to secure the required talent
- New Executive Directors will normally receive a base salary, benefits and pension contributions in line with the Directors' Remuneration Policy described on pages 150 and 151 and would also be eligible to join the bonus and share incentive plans up to the limits in the Directors' Remuneration Policy
- In addition, the Committee has discretion to include any other remuneration component or award which it feels is appropriate taking into account the specific circumstances of the recruitment, subject to the limit on variable remuneration set out below. The key terms and rationale for any such component would be disclosed as appropriate in the Directors' Remuneration Report for the relevant year
- Where an individual forfeits outstanding variable pay opportunities or contractual rights at a previous employer as a result of appointment, the Committee may offer compensatory payments or awards, in such form as the Committee considers appropriate, taking into account all relevant factors including the form of awards, expected value and vesting timeframe of forfeited opportunities. When determining any such buy-out award, the guiding principle would be that awards would generally be on a like-for-like basis unless this is considered by the Committee not to be practical or appropriate
- Excluding any buy-out awards (referred to above), the maximum level of variable remuneration which may be awarded in respect of recruitment is 650% of salary (which is in line with the maximum limit under the annual bonus, RSP awards and PSP awards in this Directors' Remuneration Policy)
- Where an Executive Director is required to relocate to take up their role, the Committee may provide assistance with relocation (via either one-off or ongoing payments or benefits)
- In the event that an internal candidate is promoted to the Board, legacy terms and conditions would normally be honoured, including any accrued pension entitlements and any outstanding incentive awards

To facilitate any buy-out awards outlined above, in the event of recruitment the Committee may grant awards to a new Executive Director relying on the exemption in the UK Listing Rules, which allows for the grant of awards to facilitate, in unusual circumstances, the recruitment of an Executive Director, without seeking prior shareholder approval or under any other appropriate Company incentive plan.

Supplementary information

Remuneration policy in the rest of the Company

The remuneration arrangements for Executive Directors outlined earlier in this report are consistent with those for other senior executives, although quantum and award opportunities vary by executive level.

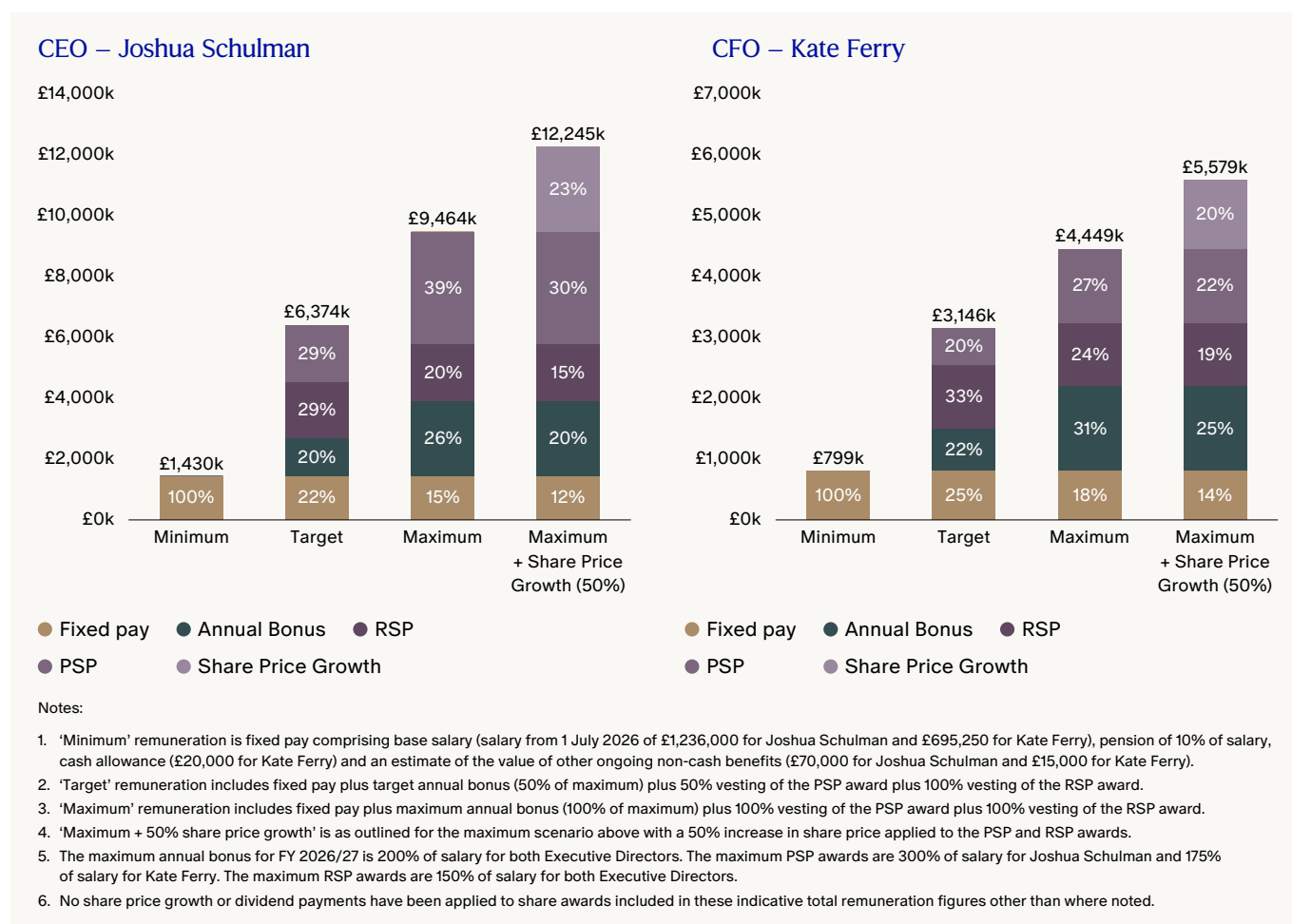
In making its decisions on executive remuneration, the Committee considers the reward framework for all employees globally, ensuring that the principles applied are consistent with the Directors' Remuneration Policy. Pay review increases awarded to Executive Directors are determined within the broader context of employee remuneration. All our employees are eligible for a variable incentive based on performance and the principle of shareholder alignment is reflected throughout the organisation through our all-employee share plans, which are (where legally possible) extended to all eligible Burberry employees globally.

Burberry is a partner of the Living Wage Foundation and accredited as a UK Living Wage employer.

Indicative total remuneration levels

A substantial portion of Executive Director remuneration is dependent on Company performance. The charts below illustrate indicative levels of total remuneration which would be received by each Executive Director under the 2026 Directors' Remuneration Policy set out on pages 150 to 160 for the first financial year in which it will apply (FY 2026/27). These are shown at each of the following performance scenarios: (1) minimum, (2) target, (3) maximum and (4) maximum + 50% share price growth.

Executive Director total remuneration at different levels of performance



Policy on service agreements and termination provisions

Executive Directors

The Company's general policy on Executive Directors' service agreements is that they operate on a rolling basis with no specific end date and include a 12-month or less notice period both to and from the Company. The table below sets out information on service agreements for the current Executive Directors.

	Date of current service agreement	Date employment commenced	Notice period to and from the Company
Joshua Schulman	14 July 2024	17 July 2024	12 months
Kate Ferry	14 March 2023	17 July 2023	12 months

Standard terms on termination

Salary, pension, benefits and allowances: Executive Directors continue to receive salary, pension/pension allowance, benefits and cash allowances during their notice period (which will not normally exceed 12 months). Alternatively, the Company may terminate the employment early and pay in lieu of notice, either in a lump sum or in monthly instalments. Payments in lieu of notice will be no more than the salary, cash allowance and pension allowance payable for the period of notice not worked. Any such monthly payments will be reduced to the extent the former Executive Director receives income from alternative remunerative employment as the Executive Director will be required to mitigate their loss.

Annual bonus paid in cash: an executive considered to be a 'good leaver' may remain eligible for an annual bonus payable at the normal time for the financial year in which they cease employment subject to achievement of bonus targets. Any bonus would normally be pro-rated taking into account the period of time the Executive Director was in active employment during the financial year. An Executive Director who has left employment for other reasons during the performance period or before the payment is due will normally not be eligible to receive an annual bonus. The Committee retains discretion to vary the approach and the payment of annual bonus to leavers, as outlined below.

PSP awards: for an Executive Director considered to be a 'good leaver' before vesting, outstanding awards will normally be pro-rated for time and vest on the original vesting dates subject to performance on the original vesting date. Good leavers' awards will normally be required to remain subject to post-vesting holding periods and leaving employment will not normally impact shares already subject to a holding period. For an Executive Director who leaves for any other reason, any unvested PSP awards will normally lapse in full. The Committee retains discretion to vary the approach and the extent to which awards vest for leavers, as outlined below.

RSP awards: for an Executive Director considered to be a 'good leaver' before vesting, outstanding awards will normally be pro-rated for time over the vesting period and vest on the original vesting dates subject to the performance underpins. Good leavers' awards will normally be required to remain subject to post-vesting holding periods and leaving employment will not normally impact shares already subject to a holding period. For an Executive Director who leaves for any other reason, any unvested RSP awards will normally lapse in full. The Committee retains discretion to vary the approach and the extent to which awards vest for leavers, as outlined below.

Good leavers include leaving the Company on retirement, redundancy, ill health, as a result of death in service or in other circumstances determined by the Committee.

Other: reasonable disbursements (for example, legal or professional fees, relocation/repatriation costs) may be paid. Any other employee share plan entitlements (such as under all-employee share incentives) will be dealt with in accordance with the rules of the relevant plan and the Committee may exercise the discretions provided under those plans.

Discretion: the Committee retains discretion to approve payments to individuals based on individual circumstances and performance while in office or employment and potential claims under applicable law. In applying any such discretion, the Committee will make any decisions by considering the specific circumstances and performance of the individual and the best interests of shareholders and those of the remaining employees, including Executive Directors. Where awards are subject to performance conditions/underpins, these would normally be tested at the end of the relevant period(s), unless the Committee determined otherwise, and any award which is allowed to vest would normally be pro-rated for time in office or employment, unless the Committee determined otherwise.

Corporate events

Upon a change in control of the Company before the vesting date, outstanding PSP or RSP awards will, unless the Committee determines otherwise, be pro-rated for time over the vesting period of the award and vest, at the point of change in control, subject to the performance conditions or underpins. Alternatively, PSP or RSP awards can be exchanged for equivalent awards over shares in the acquiring company. The Committee can also allow full or partial vesting on a demerger, special dividend, distribution in specie or if the participant is relocated in circumstances which would give rise to unfavourable tax treatment. Malus, clawback and holding period requirements will cease to apply following a change of control.

Any other employee share plan entitlements (such as under all-employee share incentives) will be dealt with in accordance with the rules of the relevant plan and the Committee may exercise the discretions provided under those plans.

Non-Executive Directors

The Non-Executive Directors serve under letters of appointment with the Company. Non-Executive Directors may continue to serve subject to annual re-election by shareholders at each AGM of the Company, subject to six months' notice by either party. There are no provisions for compensation for loss of office in the letters of appointment.

Development of 2026 Directors' Remuneration Policy

In developing and reviewing the 2026 Directors' Remuneration Policy, the Committee is mindful of the views of shareholders and is sensitive to the relativities of arrangements for Executive Directors to those for employees more generally.

The Committee proactively engages shareholders when considering any significant changes to remuneration for Executive Directors and the feedback received is taken into account in finalising proposals. The Committee also listens to and takes into consideration investor views more generally throughout the year. In developing the 2026 Directors' Remuneration Policy, the Committee undertook a consultation with shareholders to understand their feedback in relation to the changes proposed and made a number of refinements as set out in the letter from the Chair of the Committee.

Employees are able to communicate their views internally on any topic including the Directors' Remuneration Policy by using the Burberry internal communications platform (Viva Engage) or by raising questions at global and functional town halls. They are also able to refer to the Burberry Resolution Hub and the Burberry Confidential whistleblowing line which provide an independent method for speaking up about serious concerns. Our regular colleague engagement and the valuable two-way dialogue we have developed with our Global Workforce Advisory Forum provide the Committee with important insights into employees' views on the overall remuneration framework and how this aligns to the Directors' Remuneration Policy. However, given the scale, geographic spread and diversity of roles of Burberry's employees, the Committee does not proactively consult with employees specifically on the Directors' Remuneration Policy. In addition, many Burberry employees are shareholders through participation in the Sharesave and Free Share Plans and they, like other shareholders, are able to express their views on Directors' remuneration at each general meeting.

ANNUAL REPORT ON REMUNERATION

FY 2025/26 total single figure remuneration for Executive Directors (audited)

The table below sets out the single figure of total remuneration received or receivable by the Executive Directors in respect of FY 2025/26 (and the prior financial year). The subsequent sections detail additional information for each element of remuneration.

	Salary £'000	Allowances and benefits £'000	Pension £'000	Bonus £'000	Burberry Share Plan (BSP) £'000	All-employee share plans £'000	Total £'000	Total fixed remuneration £'000	Total variable remuneration £'000
Executive Directors									
Joshua Schulman									
Year to 28 March 2026	1,195	369	120	2,340	–	–	4,024	1,684	2,340
Year to 29 March 2025 ¹	846	425	85	1,200	–	–	2,556	1,356	1,200
Kate Ferry									
Year to 28 March 2026 ²	672	35	67	1,316	457	–	2,547	774	1,773
Year to 29 March 2025 ³	672	30	67	135	–	–	904	769	135

1. Remuneration in the table above in relation to Joshua Schulman for the year to 29 March 2025 relates to his period of employment as CEO from 17 July 2024.
2. The value in the 'BSP' column in respect of FY 2025/26 represents the vesting of the CFO's 2023 BSP award. As the award will only vest in July 2026, the value has been calculated by multiplying the number of shares which will vest as set out on page 166 by the three-month average share price to the end of the financial year (£11.69), plus the value of dividend equivalents on these shares. The award was granted based on a share price of £21.8217 and therefore none of the amount relates to share price appreciation.
3. The value shown in the 'allowances and benefits' column for Kate Ferry for the year to 29 March 2025 has been reduced by £3,000 to reflect the fact that no reimbursement was made to her in respect of this amount during FY 2024/25.

Salary (audited)

The table below details annual salaries as at 28 March 2026 and those that will apply from 1 July 2026. Taking into account business performance and the broader shareholder experience, the Committee determined that annual salaries for the Executive Directors will increase by 3% from 1 July 2026. The budgeted salary increase for our UK workforce for 2026 was 3%.

	As at 28 March 2026	As at 1 July 2026	% change
Joshua Schulman	£1,200,000	£1,236,000	3%
Kate Ferry	£675,000	£695,250	3%

Pension (audited)

The pension cash allowances for the Executive Directors are aligned to the maximum employer pension contribution available to the majority of the UK workforce at 10% of base salary.

No Director has a prospective entitlement to receive a defined benefit pension.

Allowances and benefits (audited)

The table below details the cash allowances and non-cash benefits received by the Executive Directors during FY 2025/26 in accordance with the Directors' Remuneration Policy and as disclosed in the single figure table.

FY 2025/26 (£'000)	Cash allowance	Private medical insurance	Life assurance	Long-term disability insurance	Tax and legal advice	Relocation costs ¹
Executive Directors						
Joshua Schulman	–	24	12	2	32	299
Kate Ferry	20	6	3	6	–	–

1. In connection with his relocation from New York to London, Joshua Schulman is eligible to receive a housing allowance of £25,000 per month (gross) for up to 18 months starting in November 2024. The value shown in the 'relocation costs' column for Joshua reflects 12 months of this allowance. The remainder will be included in the FY 2026/27 Directors' Remuneration Report as appropriate.
2. There were no changes to benefits policies during the year.

Annual bonus for FY 2025/26 (audited)

Both Executive Directors were eligible for a maximum bonus of 200% of base salary. The annual bonus for FY 2025/26 was based 75% on Group adjusted operating profit performance (at FY 2024/25 CER) and 25% on strategic objectives including strategic, operational and environmental and social measures.

Adjusted operating profit performance

The table below sets out the targets and the performance achieved for FY 2025/26 in relation to the Group adjusted operating profit performance measure:

	FY 2025/26 Group adjusted operating profit targets				FY 2025/26 Group adjusted operating profit achieved (CER) ¹
	Maximum bonus opportunity (% of salary)	Threshold (25% of maximum)	Target (50% of maximum)	Maximum (100% of maximum)	
Joshua Schulman	200%	£112.5m	£125.0m	£134.4m	£166m
Kate Ferry					

1. This measure removes the effect of changes in exchange rates.

Adjusted operating profit for bonus purposes is calculated using the average exchange rates of FY 2024/25 and on a pro forma basis. Details of pro forma results for FY 2025/26 are set out on page 28.

Based on the adjusted operating profit delivered, this element of the annual bonus will pay out at 100% of maximum.

CEO's strategic performance

In its assessment of the CEO's performance for the year, the Committee considered Joshua's achievements against the following strategic objectives:

- **Accelerating momentum in our core product categories:** a key part of the Burberry Forward strategy has been to align our product focus to our core categories. This year, Joshua has driven strong growth in our hero categories, asserting our authority in outerwear and scarves, both of which grew by double digits in the second half. Joshua has continued to bring discipline in the number of new products in our future seasonal assortments while balancing this with investments in deliberate opportunities for future growth. Joshua has reduced seasonal buys, bringing scarcity back to the inventory model, demonstrated with gross finished goods inventory declining by 13% versus last year at CER.
- **Evolving our marketing strategy:** Joshua's focus on our Timeless British Luxury brand expression has reinforced our authority in our core product categories and delivered coherent storytelling with cultural relevance for global audiences and an expanded talent ecosystem. We have continued to see positive brand momentum throughout FY 2025/26 with a number of successful marketing campaigns including 'Back to the City', the third chapter of 'It's Always Burberry Weather: Postcards from London', our 2025 holiday campaign, "Twas The Knight Before...", and our highly visible festive collaboration with Bloomingdale's. The Winter 2026 runway collection in February further fuelled brand momentum as classic house codes appeared across the collection and press coverage pointed to the renewed focus on heritage outerwear as both the creative and commercial backbone of Burberry. As we entered our 170th anniversary year, we launched our 'The Trench, Portraits of an Icon' campaign in March 2026. Joshua's actions also resulted in a more targeted marketing campaign in honour of the Year of the Horse, with a dedicated capsule collection launched in parallel.
- **Enhancing our store productivity:** Joshua has increased focus across our stores in creating warmth and desire through increased product density, prioritising our core product categories in high-impact zones of our stores and cross-category merchandising. We have successfully rolled out 200 Scarf Bars and increased our offer of monogramming and personalisation services across our knitwear and capes.
- The Burberry Forward strategy has been well received by our customers. Consistent execution of our strategy to place the customer at the centre of everything we do through evolved brand storytelling, visual merchandising in stores and online and continued focus on our core categories has resulted in a return to profitable comparable sales growth during FY 2025/26.
- **Delivering operating costs initiatives:** in partnership with the CFO, Joshua delivered on the announced cost savings programme through streamlining organisational structures, optimising UK manufacturing operations and reassessing partnerships. We have unlocked £80 million in cost savings in FY 2025/26, with combined annualised savings of £100 million expected by FY 2026/27.

- **Driving our People strategy:** Joshua has placed a strong emphasis on evolving our organisation and leadership and reigniting a high-performance culture in order to support the delivery of the Burberry Forward strategy. We saw positive momentum in engagement and a strong connection to the brand across the organisation with an increased sense of optimism during a period of organisational change. Joshua has further enhanced his executive team during FY 2025/26, promoting six existing senior leaders into Executive Committee roles. This commitment to supporting internal talent has been reflected throughout the organisation, with 294 internal promotions and 640 lateral moves across the business during the year, together with enhancing our talent reviews and simplifying our performance framework.
- **Continuing our focus on sustainability:** Joshua has driven ongoing focus on our sustainability agenda, leading the business in its continued progress towards net zero and reducing our Scope 1 and 2 emissions. In partnership with the CFO and other key leaders across the business, Joshua made strong progress in leading our efforts to reduce and reuse excess fabrics across our value chain and to reduce the proportion of goods being transported by air freight compared to FY 2024/25, driving down both costs and emissions.

As we exited FY 2025/26, the business was well positioned for growth, despite ongoing geopolitical and macroeconomic uncertainty. Based on its assessment of Joshua's performance against the strategic measures and taking into consideration the shareholder experience in the round, the Committee determined that this element will pay out at 90% of maximum.

CFO's strategic performance

In its assessment of the CFO's performance for the year, the Committee considered Kate's achievements against the following strategic objectives:

- **Managing our inventory model:** Kate has worked in partnership with the CEO to drive scarcity in the inventory model, reducing seasonal buys and increasing internal focus on inventory targets. This has resulted in a reduction of gross finished goods inventory by 13% versus last year at CER.
- **Financial stability and cash management:** throughout the year, Kate was fundamental in bringing back financial stability to the business. This was achieved through stronger operational leverage as gross margin improved by 530 basis points at CER and costs remained flat. Kate has delivered strong cash management for the business, resulting in an improvement of 120% in the Group's free cash flow generation compared with FY 2024/25 and a net debt leverage of 1.6x, down from 2.3x in FY 2024/25.
- **Corporate funding:** we repaid our £300 million sustainability bond in September 2025 and returned to a net cash position by the year end. We also stabilised our investment grade Moody's credit rating during the year.
- **Enhancing store productivity:** Kate has supported the delivery of a targeted store investment programme, ensuring a strong return on investment and resulting in improved store productivity with revenue per square metre having increased year-on-year.
- **Delivering operating cost initiatives:** in partnership with the CEO, Kate led the design and delivery of the announced cost savings programme which is expected to result in combined annualised savings of £100 million by FY 2026/27. Within this programme, Kate also delivered significant cost-saving initiatives across the Finance function.
- **Driving our People strategy:** Kate has brought greater organisational clarity and simplicity to the Finance function, further stabilising her leadership team during a period of organisational change. Through Kate's stewardship, progress was made under our Reignite a High-performance Culture pillar as engagement and leadership across the Finance function improved over the year.
- **Continuing our focus on sustainability:** in partnership with the CEO and other key leaders across the business, Kate has driven ongoing focus on our sustainability agenda, leading the business in its continued progress towards net zero and reducing our Scope 1 and 2 emissions. This has resulted in strong progress in leading our efforts to reduce and reuse excess fabrics across our value chain and to reduce the proportion of goods being transported by air freight compared to FY 2024/25, driving down both costs and emissions.

Based on its assessment of Kate's performance against the strategic measures and taking into consideration the shareholder experience in the round, the Committee determined that this element will pay out at 90% of maximum.

Annual bonus outcome for FY 2025/26

Considering the performance delivered, the Committee determined that for FY 2025/26 the CEO would receive an annual bonus of £2,340,000 and the CFO would receive an annual bonus of £1,316,250, representing 97.5% of their maximum bonus opportunity. The Committee considered that this level of bonus payout would be appropriate taking into account their personal performance, the wider business performance and the broader shareholder experience.

Under the Directors' Remuneration Policy, the Executive Directors are required to invest 50% of any net bonus earned into Burberry shares until their shareholding guideline is met. Joshua and Kate will therefore invest 50% of their net annual bonus for FY 2025/26 into Burberry shares.

Annual bonus for FY 2026/27

For FY 2026/27 the Executive Directors will be eligible for a maximum bonus of 200% of salary. The annual bonus for FY 2026/27 will be based 75% on Group adjusted operating profit performance (at FY 2025/26 CER) and 25% on strategic measures aligned to the Burberry Forward strategy, including key sustainability measures.

The adjusted operating profit targets are considered to be commercially sensitive and will be disclosed in the Directors' Remuneration Report 2026/27.

The strategic objectives for FY 2026/27 for the CEO and the CFO will include measures linked to Burberry Forward. When assessing performance in this area the Committee will consider key measures linked to the strategy, including customer, brand, product, distribution, culture, sustained growth and sustainability. For each strategic measure the Committee will determine the payout in the round, taking into account our progress during the year. Details of the progress achieved and the Committee's determination of bonus outcomes will be provided in the Directors' Remuneration Report 2026/27.

Under the Directors' Remuneration Policy, the Executive Directors will be required to invest 50% of any net bonus earned into Burberry shares until their shareholding guideline is met.

Long-term incentive plan awards

The following section sets out details of:

- 2023 BSP awards vesting based on performance to FY 2025/26
- 2025 BSP awards granted during FY 2025/26
- 2026 BSP awards to be granted during FY 2026/27, comprising both PSP and RSP awards

2023 BSP awards vesting subject to performance underpins to FY 2025/26 (audited)

Joshua Schulman was not in role when the 2023 BSP awards were granted and therefore no BSP award will vest for him based on performance to FY 2025/26.

Kate Ferry was granted a 2023 BSP award which will vest on 27 July 2026, followed by a two-year holding period. The CFO's 2023 BSP award was subject to performance underpins to FY 2025/26 as set out in the table below:

Underpin	Details	Achievement	Considerations
Revenue	The level of Total Revenue at CER for the financial year which precedes the year of vesting being at least £3,200 million	£2,472 million	Context of financial performance, including that the underpins were set under the previous strategy and, in addition, that there has been a slowdown in global luxury demand since 2023.
ROIC*	The level of Group ROIC at reported exchange rates for the financial year which precedes the year of vesting being at least 1% above the Group's WACC in the year of vesting (the Group's WACC was c.10% at the time of award)	5.5% (the Group's WACC was c.10.5% at end of FY 2025/26)	- Accountability of the current executive management team, including that the BSP underpins were developed prior to Kate's appointment as CFO and based on the previous strategy and budgets. - Encouraging recent performance on revenue and ROIC since the launch of Burberry Forward in November 2024. - Recent performance on revenue and ROIC: - Revenue: total Group revenue was flat versus FY 2024/25 at CER, an improvement versus the 15% decline the previous year, with comparable sales up 2% year-on-year. The Group also delivered higher quality revenue across all channels and regions, as we returned to a shorter, shallower and more discrete markdown period. - ROIC: Group ROIC was 5.5% in FY 2025/26, representing a year-on-year improvement of 4.5% points, driven by an improvement in profitability, reductions in borrowings and lease debt.
Brand and sustainability	Reasonable progress having been achieved over the vesting period in respect of our strategy to elevate our brand and to build a more sustainable future: - Brand: when assessing the brand underpin the Committee will consider performance against a range of relevant brand KPIs. This may include full-price sales, outerwear and leather goods sales and progress on brand elevation, but it may also include other relevant metrics. These metrics are all considered to be aligned with our strategy of elevating the brand to generate long-term value for shareholders. - Sustainability: when assessing the sustainability underpin the Committee will consider whether reasonable progress has been delivered against our sustainability and carbon reduction goals to reduce Scope 3 emissions by 46% by 2030 and to become Climate Positive by 2040.	Achieved	- Brand: following the launch of Burberry Forward in November 2024, in partnership with the CEO, Kate played a key role in delivering a series of actions to stabilise the business and position the brand for future growth under our Timeless British Luxury expression, including helping to reduce our inventory and reducing the cost base of the business. Our brand expression has gained momentum, delivering strong growth in our core product categories through coherent storytelling with cultural relevance for global audiences utilising an expanded talent ecosystem. - Sustainability: Burberry made good progress against its sustainability and carbon reduction goals across the three-year period, delivering a 14.2% reduction in Scope 1 and 2 emissions between FY 2023/24 (when total emissions (market based) were 1,667 tonnes CO₂e, as set out on page 58 of the Annual Report 2024/25) and FY 2025/26 (when total emissions (market based) were 1,430 tonnes CO₂e, as set out on page 58). Targeted operational, sourcing and supplier initiatives resulted in year-on-year reductions in Scope 3 emissions across the same period.

* In line with the Group's approach to the calculation of ROIC, this is calculated as Adjusted Group ROIC.

As the Company achieved the brand and sustainability underpins but did not meet the revenue and ROIC underpins, the Committee carefully considered its underpin assessment framework to determine whether it was appropriate to scale back the level of the CFO's payout. In addition to the considerations set out on pages 143, 144 and 165, the Committee also considered the strong alignment between the value of Kate's award and the experience of shareholders over the period since grant through share price movements, the impact of other Committee decisions and performance outcomes on Kate's remuneration in recent years, and the significant contribution Kate has made since her appointment, including her key role in the development and initial delivery of Burberry Forward.

Taking into account the considerations above and the views expressed by some of our shareholders, the Committee determined to scale back the vesting of the CFO's 2023 BSP award by 20%. The Committee considers this an appropriate reduction that balances the fact that two underpins have not been met with the mitigating factors set out on pages 143, 144 and 165.

As a result, Kate Ferry's 2023 BSP award will vest at 80% in July 2026 (37,118 shares, plus additional shares in respect of dividend equivalents payable on the award) with a further holding period applying for two years.

2025 BSP awards granted during FY 2025/26 (audited)

The Committee granted a 2025 BSP award of 162.5% of salary to both Joshua Schulman and Kate Ferry on 31 July 2025 in line with the Directors' Remuneration Policy approved by the shareholders at the 2023 AGM.

The table below summarises the BSP share awards granted to the Executive Directors during FY 2025/26.

	Type of award	Basis of award	Shares awarded	Face value at grant (£'000)	Performance underpin period
Joshua Schulman	BSP share award	162.5% of salary	144,658	£1,950	3 years to 1 April 2028
Kate Ferry	BSP share award	162.5% of salary	81,370	£1,097	3 years to 1 April 2028

2025 BSP awards granted to the Executive Directors will vest in full three years from the grant date, subject to the performance underpins outlined below. The awards will be subject to a two-year holding period so that the time horizon before any sale of shares (except to cover any tax liabilities arising from the award) is five years. The number of shares that vest will include additional shares in respect of any dividend equivalent payable on the award.

The face value of each award was calculated using the three-day average price prior to the date of grant (£13.48), which was the price used to determine the number of shares awarded.

2025 BSP awards are subject to the following performance underpins:

2025 BSP award performance underpins

Details

Revenue	The level of Total Revenue at CER for FY 2027/28 being at least £2,600 million
ROIC*	Reasonable progress having been achieved over the vesting period in respect of the Group Return on Invested Capital, taking into account the Group's Weighted Average Cost of Capital (the Group's WACC was c.10.5% at the time of award)
Brand and sustainability strategies	Reasonable progress having been achieved over the vesting period in respect of our brand and sustainability strategies: - Brand: the Committee will consider progress against a basket of brand and strategy related KPIs which are aligned to the Burberry Forward strategy - Sustainability: the Committee will consider whether reasonable progress has been achieved against our sustainability and carbon reduction goals

If the Company does not meet one or more of the performance underpins outlined above, then the Committee would consider whether it was appropriate to scale back the level of payout under the BSP award. The intention of the performance underpins is to provide a 'safeguard' to ensure that the BSP awards do not pay out if the Company has underperformed and vesting is not justified; the Committee will take this intention into account when assessing the underpins.

In addition to the underpins described above, the Committee also retains the discretion to adjust the vesting outcome if it is not considered to be reflective of the underlying financial or non-financial performance of the business or the performance of the individual, where underpins are no longer considered appropriate or where the vesting outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders.

* In line with the Group's approach to the calculation of ROIC, this is calculated as Adjusted Group ROIC.

2026 BSP awards to be granted during FY 2026/27

As set out in the letter from the Chair of the Committee on page 145, subject to shareholder approval for the renewal of the Directors' Remuneration Policy, the Committee intends to grant PSP and RSP awards to the Executive Directors in July 2026.

2026 PSP awards

The Committee intends to grant a 2026 PSP award of 300% of salary to the CEO and of 175% of salary to the CFO. Awards will be subject to a three-year performance period ending in FY 2028/29, followed by a two-year holding period so that the total time horizon before any sale of shares (except to cover any tax liabilities arising from the award) is five years. The number of shares that vest will include additional shares in respect of any dividend equivalent payable on the award.

In developing the PSP structure, the Committee has sought to ensure that the design avoids unnecessary complexity, retains a strong link between executive reward and sustainable value creation, and encourages the delivery of strategic priorities under Burberry Forward. Awards will be subject to the following performance measures:

- **Revenue** is one of Burberry's KPIs and is a key part of the Burberry Forward strategy. This ultimately measures the appeal of the Burberry brand to our customers.
- **ROIC** rewards participants for efficient profit generation and balances the use of revenue as a top-line measure. Capital efficiency is one of Burberry's KPIs and a key part of the Burberry Forward strategy.
- **Relative TSR** is a commonly used measure both in the UK and among our luxury peers. It complements the use of the two financial measures by aligning the reward of participants with the experience of our shareholders and only rewards outperformance of our closest sector peers.

In setting targets for each measure, the Committee has been guided by the principle of setting stretching three-year targets to incentivise the Executive Directors to deliver (and, for maximum performance, to exceed) our long-term strategic ambitions. Targets have been calibrated taking into account a range of factors including: (i) our internal four-year financial plan; (ii) analyst estimates for Burberry for the next three years; (iii) historic performance; and (iv) independent expectations for growth in the luxury market. In line with best practice, achieving budget/consensus over the next three years would result in a partial vesting of the PSP award between threshold and maximum, with maximum vesting requiring the delivery of truly exceptional performance.

The following performance measures will apply to the 2026 PSP awards:

2026 PSP award performance measures	Weighting	Threshold (25% of maximum)	Maximum (100% of maximum)
Revenue ²	One-third	£2,650 million	£3,100 million
ROIC ³	One-third	13%	20%
Relative TSR ⁴	One-third	Median	Upper quartile

1. Vesting will be calculated on a straight-line basis between threshold and maximum.

2. Total revenue will be measured at CER for FY 2028/29.

3. Group ROIC will be measured at reported exchange rates for FY 2028/29. In line with the Group's approach to the calculation of ROIC, this is calculated as Adjusted Group ROIC.

4. Relative TSR will be measured against the following peer group: Brunello Cucinelli, Canada Goose, Capri Holdings, Hermès, Hugo Boss, Kering, LVMH, Moncler, Prada, PVH Corp., Ralph Lauren Corporation, Richemont, Salvatore Ferragamo, Tapestry Inc and Zegna Group.

The threshold revenue target is equivalent to an annual growth rate of c.3% over the next three years which the Committee considers appropriately stretching to warrant partial vesting for this measure. The maximum revenue target is equivalent to an annual growth rate of c.9% over the next three years. This requires Burberry to exceed our ambition of returning to revenues of more than £3 billion and represents significant outperformance of the expected growth rate for the luxury market over that period. In setting the targets, the Committee has also been mindful of Burberry's historic revenue performance.

Notwithstanding the progress made on Group ROIC during FY 2025/26, achieving threshold will require ROIC to more than double over the next three years and achieving maximum will require ROIC to more than treble. Achieving the maximum target of 20% would result in Burberry returning to historic high levels which the Committee considers to be an appropriately stretching target for full vesting for the ROIC measure.

For the relative TSR measure the Committee has adopted market practice for a UK-listed company with full vesting requiring upper quartile performance against our luxury peer group. The Committee considers this to be appropriately stretching, particularly recognising that it will be more challenging to outperform those luxury peers whose recovery is less well progressed than Burberry's.

The Committee considers the target ranges for all three measures to be appropriate and achieving the maximum outcome for each measure would represent exceptional performance and demonstrable evidence of the success of the Burberry Forward strategy over the next three years.

In addition to the performance measures described above, the Committee also retains the discretion to adjust the vesting outcome if it is not considered to be reflective of the underlying financial or non-financial performance of the business or the performance of the individual, where measures are no longer considered appropriate or where the vesting outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders.

2026 RSP awards

The Committee intends to grant 2026 RSP awards of 150% of salary to the Executive Directors.

The awards will vest in full three years following the date of grant, subject to the performance underpins. The awards will be subject to a two-year holding period so that the total time horizon before any sale of shares (except to cover any tax liabilities arising from the award) is five years for the entire award. The number of shares that vest will include additional shares in respect of any dividend equivalent payable on the award.

If the Company does not meet one or more of the performance underpins outlined below, the Committee would consider whether it was appropriate to scale back the level of payout under the RSP award. The Committee would retain discretion to determine the appropriate level of scale-back.

The Committee has reviewed the performance underpins and determined that the underpins that applied to previous RSP awards continue to reflect a good overall balance of safeguarding the financial stability of the business, delivery of the strategy and long-term value of the brand.

The following performance underpins will apply to the 2026 RSP awards:

2026 RSP award performance underpins	Details
Revenue	The level of Total Revenue at CER for FY 2028/29 being at least £2,600 million
ROIC*	Reasonable progress having been achieved over the vesting period in respect of the Group Return on Invested Capital, taking into account the Group's Weighted Average Cost of Capital (the Group's WACC is currently c.10.5%)
Brand and sustainability strategies	Reasonable progress having been achieved over the vesting period in respect of our brand and sustainability strategies: • Brand: the Committee will consider performance against a range of brand relevance KPIs which are aligned to the Burberry Forward strategy. These may include full-price sales and outerwear sales and other metrics linked to brand relevance, but they may also include other relevant metrics that demonstrate long-term value creation • Sustainability: the Committee will consider whether reasonable progress has been achieved against our sustainability and carbon reduction goals

In addition to the performance underpins described above, the Committee also retains the discretion to adjust the vesting outcome if it is not considered to be reflective of the underlying financial or non-financial performance of the business or the performance of the individual, where underpins are no longer considered appropriate or where the vesting outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders.

* In line with the Group's approach to the calculation of ROIC, this is calculated as Adjusted Group ROIC.

Payments to past Directors

There were no payments to past Directors above a de minimis limit of £3,000 during the year.

Share interests and shareholding guideline (audited)

For FY 2025/26, Executive Directors were subject to a shareholding guideline of 300% of base salary. Subject to shareholder approval of the 2026 Directors' Remuneration Policy, the shareholding guideline for the CEO will be increased to 400% of base salary.

There is no specific timeline in which the shareholding guideline must be achieved. However, there is an expectation that Executive Directors make annual progress towards their guideline, regardless of any annual bonus paid or shares vesting. In line with the Investment Association best practice guidance, our shareholding guideline permits any incentive shares that have vested but are unexercised or that have not yet vested but are not subject to any further performance conditions/underpins to count towards the shareholding requirement at 50% of their face value. Other members of the Executive Committee are also subject to a shareholding guideline.

The following table sets out the total beneficial interests of the Executive Directors (and their connected persons) in ordinary shares of Burberry Group plc as at 28 March 2026, as well as their progress against the shareholding guideline. The table also summarises conditional interests in share or option awards, with further detail of the underlying awards in the subsequent table.

Based on the three-month average share price to 28 March 2026 (our standard approach to assessing the guideline), neither Joshua Schulman nor Kate Ferry had met the guideline. They have both demonstrated progress towards their guideline since joining Burberry, including through the application of 50% of their net bonus payments towards the purchase of Burberry shares.

	Beneficially held shares				Share/option awards			
	Number of shares beneficially owned as at 28 March 2026 ¹	As % of salary ²	Shareholding guideline (% of salary) ³	Guideline met as at 28 March 2026	Vested but unexercised awards	Unvested – subject to performance conditions (recruitment award)	Unvested – subject to performance underpins (BSP awards)	Unvested – subject to continued employment ⁴
Executive Directors								
Joshua Schulman	34,836	33.9%	300%	No	0	392,366	357,189	92
Kate Ferry	11,621	20.1%	300%	No	0	0	238,121	1,609

- There have been no changes in the period up to and including 13 May 2026.
- Based on the three-month average share price as at 28 March 2026 of £11.69.
- Subject to shareholder approval of the 2026 Directors' Remuneration Policy, the shareholding guideline for the CEO will be increased to 400% of base salary.
- In line with the shareholding guideline, only 50% of the face value of these shares counts towards the Executive Director's shareholding guideline calculation (other than shares under the all-employee Share Incentive Plan (SIP), which are held beneficially and count towards the Executive Director's shareholding guideline calculation). This also includes Sharesave options (which do not count towards the Executive Director's shareholding guideline calculation).

As former Executive Directors, Jonathan Akeroyd and Julie Brown are required to comply with Burberry's post-employment shareholding guideline in respect of share awards that vested on or after the date of the AGM in July 2020. Under this guideline Jonathan is expected to retain a shareholding of 174,684 shares until 15 July 2026. As at 28 March 2026, Jonathan complied with his obligation. Julie was expected to retain a shareholding of 10,350 shares until 1 April 2025 and complied with this obligation at that date.

The following table provides further underlying detail on the unvested awards at 28 March 2026 included in the table above.

Executive Director	Type of award	Date of grant	Maximum number of shares/options	Performance period	Vesting date ⁵
Joshua Schulman	2024 BSP ²	30 July 2024	212,531	3 years to 27 March 2027	30 July 2027
	2025 BSP ³	31 July 2025	144,658	3 years to 1 April 2028	31 July 2028
	Recruitment award ⁴	19 December 2024	392,366	3 years to 17 July 2027	17 July 2027
	SIP	12 December 2024	51	N/A	12 December 2027
	SIP	11 December 2025	41	N/A	11 December 2028
Kate Ferry	2023 BSP ¹	27 July 2023	46,398	3 years to 28 March 2026	27 July 2026
	2024 BSP ²	30 July 2024	110,353	3 years to 27 March 2027	30 July 2027
	2025 BSP ³	31 July 2025	81,370	3 years to 1 April 2028	31 July 2028
	Sharesave ⁶	14 December 2023	1,484	N/A	1 February 2027
	SIP	14 December 2023	33	N/A	14 December 2026
	SIP	12 December 2024	51	N/A	12 December 2027
	SIP	11 December 2025	41	N/A	11 December 2028

- The performance underpins for the 2023 BSP award are set out on page 132 of the Annual Report 2023/24.
- The performance underpins for the 2024 BSP award are set out on page 146 of the Annual Report 2024/25.
- The performance underpins for the 2025 BSP award are set out on page 166.
- The performance conditions for the recruitment award granted to Joshua Schulman are set out on pages 147 and 148 of the Annual Report 2024/25.
- Vested BSP awards may not normally be sold until five years from the date of grant, other than to meet tax liabilities.
- On 14 December 2023, Kate Ferry was granted a Sharesave option over 1,484 shares at an option price of £12.50 per share.

Director remuneration relative to employees

The table below summarises the change in each Director's base salary/fee, benefits and bonus received for FY 2025/26, FY 2024/25, FY 2023/24, FY 2022/23 and FY 2021/22 compared to the prior year. The regulations require disclosure of the same data for employees of the parent company. However, Burberry Group plc does not have any employees and therefore the table below includes data in respect of the UK employee population for reference.

Year-on-year change (%)	Salary/fee					Allowances and benefits					Bonus				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
Executive Directors															
Joshua Schulman	–	–	–	N/A	-1%	–	–	–	N/A	-13.3%	–	–	–	N/A	95%
Kate Ferry	–	–	N/A	0%	0%	–	–	N/A	-21.8%	5.4%	–	–	N/A	11.1%	875%
Non-Executive Directors															
Gerry Murphy	5.3%	0%	3%	0%	0%	-21.4%	-75.4%	712.4%	-2.5%	-28.0%	–	–	–	–	–
Alessandra Cozzani	–	–	N/A	0%	0%	–	–	N/A	-11.5%	111.7%	–	–	N/A	–	–
Ron Frasch	5.3%	0%	3%	0%	0%	N/A	171.1%	64.4%	-40.3%	97.2%	–	–	–	–	–
Danuta Gray	N/A	25.1%	17%	0%	0%	N/A	1,267.2%	71.7%	65%	94.6%	N/A	–	–	–	–
Stella King	–	–	–	N/A	N/A	–	–	–	N/A	N/A	–	–	–	–	N/A
Orna NiChionna	3.6%	-0.9%	-10.4%	0%	0%	-21.7%	96.2%	20.8%	-86%	948.6%	–	–	–	–	–
Alan Stewart	–	N/A	34.5%	9.5%	0%	–	N/A	3.7%	-47.4%	399.6%	–	N/A	–	–	–
Former Directors															
Fabiola Arredondo	5.3%	0%	3%	0%	0%	N/A	N/A	-5.8%	23.4%	-36.8%	–	–	–	–	–
Sam Fischer	5.3%	0%	3%	0%	0%	N/A	1,453.6%	-33.2%	48.1%	-49.7%	–	–	–	–	–
Antoine de Saint-Affrique	0%	0%	3%	0%	0%	N/A	155.2%	0.4%	2.8%	-57.0%	–	–	–	–	–
UK Employees	0%	4%	4%	4%	3.3%	0%	0%	0%	0%	0.0%	233.3%	-48%	-85.6%	-100%	N/A

- The comparator group includes all UK employees. As noted above, Burberry Group plc does not have any employees and therefore this group has been chosen to align with the location of the Executive Directors and with the pay ratio reporting. For the comparator group of employees, the year-on-year salary changes include the annual salary review in July but exclude any additional changes made in the year, for example on promotion. For FY 2021/22 benefits, the maximum employer pension contribution available to the majority of the UK workforce was increased from 6% of salary to 10% of salary with effect from 1 January 2022. The change in the value of benefits shown for the Executive Directors reflects the market cost of the same benefits.
- In order to provide a meaningful comparison, the figures in the table above have been calculated on a full-year equivalent basis where Directors have served for part of the year only.
- Where a Director was appointed during a financial year, it is not possible to calculate a percentage change for them and they are shown as N/A.
- The Directors in role at the time voluntarily agreed to waive 20% of their salary/base fee for a three-month period between April and June 2020. This is reflected in the positive changes shown in respect of FY 2021/22.
- The allowances and benefits figures for FY 2020/21 for Gerry Murphy and Orna NiChionna were low due to the impact of COVID-19. In order to provide a meaningful comparison, the percentage change figure for FY 2021/22 was calculated relative to the allowances and benefits figure for FY 2019/20.
- Allowances and benefits increased for Non-Executive Directors during FY 2022/23 due to the return of regular in-person meetings.
- Orna NiChionna was appointed as Senior Independent Director with effect from 2 April 2022.
- Danuta Gray replaced Orna NiChionna as Remuneration Committee Chair on 1 September 2022.
- Alan Stewart was appointed as Audit Committee Chair on 12 July 2023.
- Joshua Schulman was appointed as CEO on 17 July 2024.
- Stella King was appointed to the Board on 1 April 2025.
- Fabiola Arredondo, Sam Fischer and Antoine de Saint-Affrique retired from the Board on 16 July 2025.
- Payments were not made under the annual corporate bonus plan for FY 2024/25 and therefore it is not possible to calculate a percentage change for FY 2025/26 and this is shown as N/A.

CEO pay ratios

The ratios set out in the table below compare the total remuneration of the CEO (as included in the single figure table on page 161) to the remuneration of the median UK employee as well as the UK employees at the lower and upper quartiles. The disclosure will build up over time to cover a rolling 10-year period.

Year	Method	25 th percentile pay ratio (P25)	Median pay ratio (P50)	75 th percentile pay ratio (P75)
FY 2025/26	Option A	117:1	87:1	57:1
FY 2024/25	Option A	92:1	70:1	45:1
FY 2023/24	Option A	44:1	33:1	21:1
FY 2022/23	Option A	153:1	116:1	73:1
FY 2021/22	Option A	225:1	167:1	105:1
FY 2020/21	Option A	92:1	71:1	44:1
FY 2019/20	Option A	68:1	48:1	31:1
FY 2018/19	Option A	170:1	127:1	82:1

Notes regarding calculation

The ratios are calculated using option A in the disclosure regulations. The employees at the lower quartile, median and upper quartile (P25, P50 and P75, respectively) were determined based on total remuneration using a valuation methodology consistent with that used for the CEO in the single figure table on page 161. The employees were identified based on all UK employees at year end. This option was selected on the basis that it provided the most accurate method of identifying the lower quartile, median and upper quartile employees.

The total remuneration in respect of FY 2025/26 for the employees identified at P25, P50 and P75 is £34k, £46k and £71k, respectively. The base salary in respect of FY 2025/26 for the employees identified at P25, P50 and P75 is £31k, £34k and £64k, respectively.

The Committee considers pay ratios as one of many reference points when considering remuneration. Throughout the Group, pay is positioned to be fair and market-competitive in the context of the talent market for the relevant role, fairly reflecting local market data and other relevant benchmarks (such as the UK real Living Wage). The Committee notes the limited comparability of pay ratios across companies and sectors, given the diverse range of business models and employee population profiles which exist across the market.

A significant proportion of the CEO's total remuneration is delivered in variable remuneration, and particularly via long-term share incentives. In order to drive alignment with shareholders, the value ultimately received from share incentive awards is linked to long-term share price movement. As a result, the pay ratio is likely to be driven largely by the CEO's incentive outcomes and may therefore fluctuate significantly on a year-to-year basis.

The pay ratio for FY 2025/26 has increased compared to the ratio for FY 2024/25. This reflects the fact that for FY 2024/25 Joshua Schulman received a bonus of 50% of maximum, whereas for FY 2025/26 he received a bonus of 97.5% of maximum, resulting in a larger single figure compared with FY 2024/25.

The Committee considers that the median pay ratio for FY 2025/26 and the recent trends in the pay ratios are consistent with Burberry's remuneration framework and reflect the variable nature of the CEO's total remuneration. The Committee believes the pay ratio is consistent with our pay policies in the UK.

Relative importance of spend on pay for FY 2025/26

The table below sets out the total payroll costs for all employees over FY 2025/26 compared to total dividends and amounts paid to buy back shares during the year. The average number of full-time equivalent employees is also shown for context.

Relative importance of spend on pay		FY 2025/26	FY 2024/25
Dividends paid during the year (total)	£m	–	152 ¹
	% change	-100%	
Amounts paid to buy back shares during the year	£m	–	–
	% change		
Payroll costs for all employees	£m	587	576
	% change	2%	
Average number of full-time equivalent employees		7,613	8,701
	% change	-13%	

1. Dividends paid during FY 2024/25 reflect the final dividend for FY 2023/24 which was paid in August 2024.

Service agreements

The table below sets out information on service agreements for the current Executive Directors. Executive Directors are subject to annual re-election by shareholders at each AGM of the Company.

	Date of current service agreement	Date employment commenced	Notice period to and from Burberry
Joshua Schulman	14 July 2024	17 July 2024	12 months
Kate Ferry	14 March 2023	17 July 2023	12 months

Non-Executive Directors serve under letters of appointment with the Company. Non-Executive Directors may continue to serve subject to annual re-election by shareholders at each AGM of the Company, subject to six months' notice by either party.

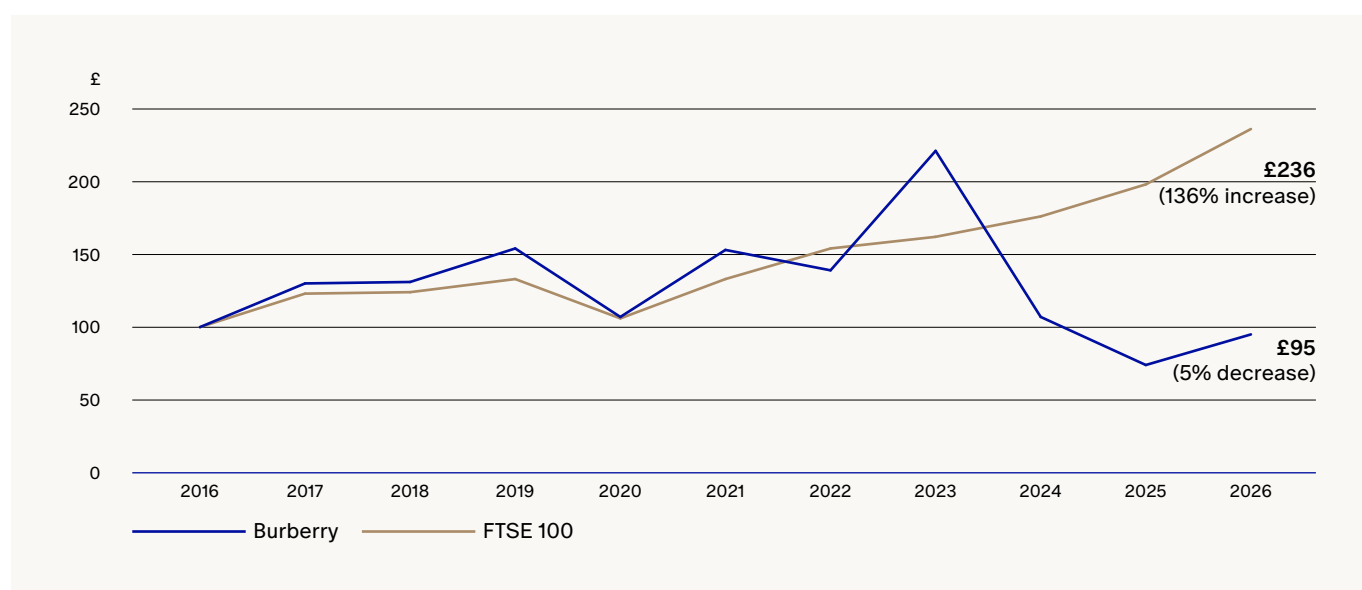
Malus and clawback

Annual bonus and BSP awards (comprising PSP awards and RSP awards) are subject to malus and clawback provisions as set out in the Directors' Remuneration Policy. The time periods within which these provisions can be applied have been set considering the nature of the Company's business cycle and are in line with UK market practice in this area.

There has been no application of malus or clawback provisions in respect of the Executive Directors in the year.

Ten-year performance graph and Chief Executive Officer's remuneration

The following graph shows the total shareholder return (TSR) for Burberry Group plc compared to the FTSE 100 Index assuming £100 was invested on 31 March 2016. The FTSE 100 Index has been selected as the comparator because Burberry has been a constituent of the Index for the majority of the period shown. Data is presented on a spot basis and sourced from DataStream. The table below shows the total remuneration earned by the incumbent CEO over the same 10-year period, along with the percentage of maximum opportunity earned in relation to each type of incentive. The total amounts are based on the same methodology as used for the single figure of total remuneration for FY 2025/26 on page 161.



	FY 2016/17 (CB) ¹	FY 2017/18 (CB) ¹	FY 2017/18 (MG) ¹	FY 2018/19 (MG) ¹	FY 2019/20 (MG) ¹	FY 2020/21 (MG) ¹	FY 2021/22 (MG) ¹	FY 2021/22 (JA) ¹	FY 2022/23 (JA) ¹	FY 2023/24 (JA) ¹	FY 2024/25 (JA) ¹	FY 2024/25 (JS) ¹	FY 2025/26 (JS) ¹
Total remuneration (£'000)	3,508	1,091	6,330	4,078	1,618	2,245	1,205	4,428	4,289	1,347	446	2,556	4,024
Bonus (% of maximum)	0%	51%	51%	60%	0%	25%	–	–	59%	0%	0%	50%	97.5%
BSP (% of maximum)	–	–	–	–	–	–	–	–	–	–	–	–	–
Legacy incentive plans (no longer in operation):													
ESP (% of maximum)	–	5%	–	25%	0%	5.5%	–	–	–	–	–	–	–
CIP ² (% of maximum)	0%	–	–	–	–	–	–	–	–	–	–	–	–
RSP (% of maximum)	19.3%	–	–	–	–	–	–	–	–	–	–	–	–
Exceptional award ³ (% of maximum)	61.7%	59.9%	–	–	–	–	–	–	–	–	–	–	–

1. Christopher Bailey (CB, Chief Creative Officer and CEO from 1 May 2014 to 4 July 2017), Marco Gobbetti (MG, CEO from 5 July 2017 to 31 December 2021), Jonathan Akeroyd (JA, CEO from 15 March 2022 to 15 July 2024), Joshua Schulman (JS, CEO from 17 July 2024).

2. The CIP was the Burberry Co-Investment Plan, a long-term incentive plan under which the final performance-based awards were granted in 2014. Details of this plan can be found in the relevant Directors' Remuneration Reports.

3. The exceptional award for Christopher Bailey relates to vesting of his 2014 exceptional share award as previously disclosed.

Non-Executive Director remuneration (audited)

The table below sets out the single figure of total remuneration received or receivable by the Non-Executive Directors in respect of FY 2025/26 (and the prior financial year).

	Year to 28 March 2026			Year to 29 March 2025		
	Fees ¹ £'000	Benefits and allowances ² £'000	Total £'000	Fees ¹ £'000	Benefits and allowances ² £'000	Total £'000
Non-Executive Directors						
Gerry Murphy	438	7	445	438	9	447
Alessandra Cozzani	82	25	107	82	12	94
Ron Frasch	82	43	125	82	22	104
Danuta Gray	117	15	132	117	7	124
Stella King ³	82	38	120	N/A	N/A	N/A
Orna NiChionna	102	5	107	102	1	103
Alan Stewart	117	6	123	117	1	118
Former Non-Executive Directors						
Fabiola Arredondo ⁴	25	15	40	82	23	105
Sam Fischer ⁴	25	16	41	82	31	113
Antoine de Saint-Affrique ⁴	25	8	33	82	20	102

1. Fees include the base fee and additional fees payable to the Senior Independent Director, the Audit Committee Chair and the Remuneration Committee Chair in line with the existing Directors' Remuneration Policy.
2. For Non-Executive Directors other than the Chair, allowances include an attendance allowance for each meeting attended outside their country or territory of residence. Non-Executive Directors appointed before 11 May 2023 currently receive £2,000 per meeting. Non-Executive Directors appointed from 11 May 2023 currently receive £2,000 for meetings that involve inter-continental travel and £1,000 for other meetings outside their country or territory of residence. Allowances also include the reimbursement of certain expenses incurred by the Non-Executive Directors in the performance of their duties, which are deemed by HM Revenue & Customs (HMRC) to be subject to UK income tax. Any tax liabilities arising on the reimbursement of these costs will be settled by the Company. Amounts disclosed have been estimated and have been grossed up at the appropriate tax rate, where necessary.
3. Fees for Stella King relate to the period from 1 April 2025 when she was appointed to the Board.
4. Fees for Fabiola Arredondo, Sam Fischer and Antoine de Saint-Affrique relate to the period to 16 July 2025 when they retired from the Board.

Summary of Non-Executive Director fees for FY 2026/27

Following a review, the Committee determined that the Chair would receive a fee increase of 3% with effect from 1 July 2026. The Board determined that the fee for the Senior Independent Director would increase to £35,000 with effect from 1 July 2026 and that there would be no other increases to the Non-Executive Directors' fees for FY 2026/27.

The fee structure for the Non-Executive Directors for FY 2026/27 is set out in the table below.

	Fee level £'000
Chair ¹	453.2
Non-Executive Director	82.8
Senior Independent Director	35
Audit Committee Chair	35
Remuneration Committee Chair	35
Attendance allowance ²	Up to 2

1. The Chair is not eligible for Committee-related fees or attendance allowances.
2. For Non-Executive Directors other than the Chair, allowances include an attendance allowance for each meeting attended outside their country or territory of residence. Non-Executive Directors appointed before 11 May 2023 currently receive £2,000 per meeting. Non-Executive Directors appointed from 11 May 2023 currently receive £2,000 for meetings that involve inter-continental travel and £1,000 for other meetings outside their country or territory of residence.
3. Expenses incurred in the normal course of business are reimbursed and, as these are considered by HMRC to be taxable benefits, the tax due on these will also be met by the Company.

Non-Executive Director shareholdings (audited)

The table below summarises the total interests of the Non-Executive Directors (and their connected persons) in ordinary shares of Burberry Group plc as at 28 March 2026 (or as at the date of stepping down, if earlier).

In line with the shareholding guideline, Non-Executive Directors hold shares with a market value at acquisition of £6,000 for each year of their appointment. As at 28 March 2026 (or as at the date of stepping down, if earlier), all of the Non-Executive Directors who had served more than one year since their appointment had fulfilled this guideline.

	Total number of shares owned
Non-Executive Directors	
Gerry Murphy	35,000
Alessandra Cozzani	1,100
Ron Frasch	5,838
Danuta Gray	6,847
Stella King	608
Orna NiChionna	4,275
Alan Stewart	2,350
Former Non-Executive Directors	
Fabiola Arredondo	30,000
Sam Fischer	3,000
Antoine de Saint-Affrique	3,100

There have been no changes in the total number of shares owned in the period up to and including 13 May 2026.

Remuneration Committee in FY 2025/26

Committee membership

Danuta Gray, Ron Frasch, Orna NiChionna and Alan Stewart served as members of the Committee throughout the year ended 28 March 2026.

Fabiola Arredondo and Sam Fischer served as members of the Committee until they retired from the Board on 16 July 2025.

Committee remit

The Committee's terms of reference are published on Burberryplc.com.

In addition to setting the remuneration of the Executive Directors, the Committee continues to directly oversee the remuneration arrangements for the Executive Committee, the Company Secretary and other members of senior management within its remit as determined from time to time.

Summary of meetings

The Committee typically meets four times a year. During FY 2025/26, the Committee held six meetings. Other ad hoc discussions were held as required. Details of attendance at Committee meetings are set out on page 142. If any Committee members are unable to attend a meeting, they are given the opportunity to discuss any of the agenda items with the Committee Chair in advance of the meeting. The agenda items discussed at the six meetings are summarised below. Other Committee matters, including remuneration arrangements for Executive Committee members and others within the Committee's remit, were determined by the Committee outside the scheduled meetings.

May 2025	• Update on external environment from independent advisors • FY 2024/25 incentive outcomes • FY 2025/26 performance targets and incentive awards • 2025 BSP awards, including performance underpins for Executive Directors • FY 2025/26 senior executive remuneration • Chair fees for FY 2025/26 • Approval of Directors' Remuneration Report 2024/25 • Update on share plan dilution
September 2025	• 2025/26 Directors' Remuneration Policy review
November 2025	• Update on external environment from independent advisors • 2025/26 Directors' Remuneration Policy review • Incentives performance update • All-employee share plan awards 2025 • Update on Executive Committee members' shareholding guideline compliance • Committee annual planner
January 2026	• 2025/26 Directors' Remuneration Policy review
February 2026	• Update on external environment from independent advisors • 2025/26 Directors' Remuneration Policy review and shareholder engagement process
March 2026	• Update on external environment from independent advisors • Incentives performance update • FY 2026/27 annual bonus plan proposals • Overview of broader employee reward and feedback from the March 2026 meeting of the Global Workforce Advisory Forum • UK Gender and Ethnicity Pay Gap Report for 2025/26 reporting year • Review of Committee's terms of reference

Regular attendees at Committee meetings include the Chair of the Board, the CEO, the CFO, the Company Secretary, the Chief People Officer, the Vice President, Reward, the Director, Executive Reward and Share Plans and representatives of the Committee's advisors. Other members of the senior management team may attend Committee meetings from time to time. Attendees are not present when their own remuneration is being discussed.

Advisors to the Committee

Deloitte was appointed as an independent advisor to the Committee in 2017 and reappointed in 2021 and again in 2024 following a competitive tender process. Deloitte is a founding member of the Remuneration Consultants' Group (RCG), which is responsible for the development and maintenance of the voluntary Code of Conduct that clearly sets out the role of executive remuneration consultants and the professional standards by which they advise their clients. Fees are charged on a time and expenses basis and totalled £215,000 (plus VAT) during FY 2025/26. During the year Deloitte also provided other consulting services, tax compliance and advisory services. The Committee is satisfied that advice received from Deloitte during the year was objective and independent and that all individuals who provided remuneration advice to the Committee had no connections with Burberry or its Directors that may impair their independence. The Committee reviewed the potential for conflicts of interest and judged that there were appropriate safeguards against such conflicts.

Linklaters LLP also provided advice to the Committee in relation to the operation of the Company's share plans, employment law considerations and compliance with legislation.

Remuneration voting results

The table below shows the results of the latest remuneration-related shareholder votes on the Directors' Remuneration Report and the Directors' Remuneration Policy.

We have engaged with and listened to our shareholders during FY 2025/26 as we have developed our proposals for the Directors' Remuneration Policy review. The Committee and I would like to thank all of you who have invested time with us as it has helped to inform our thoughts on remuneration at Burberry.

AGM voting results	Votes for	Votes against	Votes withheld
To approve the Directors' Remuneration Report for the year ended 29 March 2025 (2025 AGM)	278,795,241 (95.18%)	14,128,305 (4.82%)	6,034,720
To approve the Directors' Remuneration Policy (2023 AGM)	271,202,999 (91.02%)	26,745,859 (8.98%)	975,510

The Committee and I continue to value the input of shareholders to help inform our thoughts on executive remuneration at Burberry. As part of our commitment to build on the constructive dialogue we have established, we look forward to continuing to engage with you and receiving your support at the AGM in July.

This report has been approved by the Board and signed on its behalf by:

Danuta Gray

Chair, Remuneration Committee

13 May 2026

DIRECTORS' REPORT

The Directors present their Annual Report and the audited consolidated Financial Statements of the Company for the year ended 28 March 2026. For the purposes of the Companies Act 2006, the Disclosure Guidance and Transparency Rules (DTR), and other relevant legislation, the Strategic Report on pages 2 to 105, the Corporate Governance Statement on pages 107 to 180 and the Consolidated Financial Statements on pages 181 to 249, are incorporated by reference and shall be deemed to form part of this Directors' Report. The relevant references for specific disclosures are set out below.

Disclosure	Page
Strategic Report, including	2
• Employee engagement and culture	33
• Stakeholder engagement	38
• Social, community, health and safety, disability and human rights issues including relevant policies	76
• Future developments of the business	29
• Risk, going concern and viability	95, 197
The Corporate Governance Statement, including	108
• Corporate Governance Report	114
• Global GHG emissions	58
• Board and senior management diversity	113
Consolidated Financial Statements, including	192
• Statement of Directors' Responsibilities	181
• Note 26 – Financial Instruments and risks	220

Share capital

Details of the issued share capital, together with details of movement in the issued share capital of the Company during the year, are shown in note 24 to the Consolidated Financial Statements. This is incorporated by reference and deemed to be part of this report. The Company has one class of ordinary share of 0.05 pence each (Share), which carries no right to fixed income. Each Share carries the right to one vote at general meetings of the Company. The Shares are listed on the Official List and traded on the London Stock Exchange. No person has any special rights of control over the Company's share capital and all issued Shares are fully paid.

As at 28 March 2026, the Company had 363,837,406 Shares in issue, including 2,839,220 held in treasury. At the AGM in 2025, shareholders approved resolutions to allot Shares up to an aggregate nominal value of £59,862, and to allot Shares for cash other than pro rata to existing shareholders. Shareholders also approved a resolution to issue up to an additional 5% of issued share capital other than pro rata to existing shareholders in connection with an acquisition or specified capital investment. In order to retain maximum flexibility, resolutions will be proposed to shareholders at this year's AGM to renew these authorities.

Substantial shareholdings

As at 28 March 2026, the Company had been notified under Rule 5 of the Disclosure Guidance and Transparency Rules of the following major interests in its issued share capital:

	Number of Shares held	% of total voting rights ¹
Massachusetts Financial Services Company	20,668,065	5.10
Norges Bank	14,168,490	3.92

1. As at the date of notification to the Company.

The Company has received no notifications of major interests in its issued share capital since 28 March 2026.

Interests in own Shares

Details of the Group's interests in its own Shares are set out in note 24 to the Consolidated Financial Statements.

Share buyback

During the reporting period, no share buyback programmes were undertaken. The authority granted by shareholders at the 2025 AGM will remain in place until a new authority is granted by shareholders at the 2026 AGM or 15 October 2026, whichever is earlier.

Transfer of Shares

There are no specific restrictions on the size of holding or on the transfer of Shares. The Directors are not aware of any agreements between holders of Shares that may result in restrictions on the transfer of securities or voting rights. The Directors have no current plans to issue Shares other than in connection with employee share plans.

Voting

Each Share carries one vote at general meetings of the Company. Any Shares held in treasury have no voting rights. A shareholder entitled to attend, speak and vote at a general meeting may exercise their right to vote in person, by proxy, or, in relation to corporate members, by corporate representatives. To be valid, notification of the appointment of a proxy must be received not less than 48 hours before the relevant general meeting at which the person named in the Form of Proxy proposes to vote. The Directors may in their discretion determine that, in calculating the 48-hour period, no account be taken of any part of a day which is not a working day. Employees who participate in the SIP whose Shares remain in the Burberry Group plc SIP Trust (SIP Trust) may give directions to the trustees to vote on their behalf by way of a Form of Direction.

Articles of Association

The Company's Articles of Association were adopted at the 2021 AGM. No changes to the Articles of Association are being proposed at this year's AGM.

Dividend

Consistent with the prior year, and in order to strengthen the balance sheet while maintaining capacity to invest in Burberry's long-term growth, the Directors have not declared an interim or final dividend for FY 2025/26 (FY 2024/25: £nil).

Under a standing arrangement, the Burberry Group plc ESOP Trust has waived all dividends and future dividends payable by the Company in respect of the Burberry Shares it holds until the Company is notified otherwise. As no dividend was declared by the Company during FY 2025/26, no dividends arose in respect of unappropriated Shares held by the SIP Trust and, accordingly, no waiver was required.

Revenue and profit

Revenue from continuing business during the year amounted to £2,420 million (FY 2024/25: £2,461 million). The adjusted operating profit for the year was £160 million (FY 2024/25: £26 million). The profit for the year attributable to equity holders of the Company was £21 million (FY 2024/25: loss of £75 million), a year-on-year increase of 128% predominantly related to a 540 bps increase in gross margin, which gave rise to a 528% increase in adjusted operating profit. An adjusting items charge of £45 million resulted in a £118 million increase in operating profit and an increase in the effective tax rate resulted in a £96 million increase in profit for the year.

Branches

Note 29 to the Consolidated Financial Statements sets out the Group's subsidiary entities. In addition, the Group has the following non-domestic branches:

- Burberry Limited: Hong Kong S.A.R., China and Republic of Korea
- Burberry (Spain) Retail S.L.: Portugal

Significant contracts – change of control

Pursuant to the Companies Act 2006, the Directors disclose that, in the event of a change of control, the Company's borrowings under the Group's currently undrawn £300 million Revolving Credit Facility, dated 26 July 2021, could become repayable.

The Company's borrowings under the Group's fully drawn £75 million Revolving Credit Facility, dated 21 March 2025, could become repayable.

On 3 April 2017, Burberry entered into an exclusive licensing agreement with Coty pursuant to which Coty develops, manufactures, markets, distributes and sells Burberry Beauty products. The agreement took effect in October 2017, from which time ongoing royalty payments have been payable to Burberry. Pursuant to the Companies Act 2006, the Directors disclose that a change in control of Burberry will, in limited circumstances, result in Coty having a right of termination of the licence agreement.

A small number of leases contain certain rights that may entitle landlords to terminate or approve continuation of the leases in the event that a Burberry subsidiary is transferred out of the Group or there is a change of control of Burberry Group plc.

These are not considered to be significant in terms of the potential impact on the business as a whole.

There are no arrangements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs specifically because of a takeover, merger or amalgamation. There are provisions in the Company's share plans which could result in options or awards vesting or becoming exercisable on a change of control. For further information on the change of control provisions in the Company's share plans, refer to the proposed new Directors' Remuneration Policy which can be found on pages 150 to 160, which will be submitted to shareholders for approval at the 2026 AGM.

Employee share plans and share ownership

The Company is committed to employee share ownership with two all-employee share plans available to employees at all levels of the organisation. Further details of these share plans are set out in the Directors' Remuneration Report on page 149. The Group intends to operate these all-employee share plans during FY 2026/27 to grant awards of free Burberry Shares (or equivalent cash-based awards as appropriate) to all eligible employees globally, and to invite eligible employees, where possible, to participate in the ShareSave scheme. The Directors review the operation of these plans to ensure that they effectively support the Group's strategy and encourage greater alignment by employees with the Group's performance. Details of employee share plans are set out in note 27 to the Financial Statements.

Political donations

The Company did not make any political donations during the year in line with its policy (FY 2024/25: £nil). In keeping with the Group's approach in prior years, shareholder approval is being sought at the forthcoming AGM, as a precautionary measure, for the Company and its subsidiaries to make donations and/or incur expenditure which may be construed as political by the wider definition of that term included in the relevant legislation. Further details are provided in the Notice of Annual General Meeting.

Directors

The names and biographical details of the Directors as at the date of this report are set out on pages 109 to 112 and are incorporated by reference into this report. With regard to the appointment and resignation of Directors, the Company follows the 2024 UK Corporate Governance Code and is governed by its Articles of Association, the Companies Act 2006 and related legislation. At the 2026 AGM, all Directors will stand for re-election as appropriate. The Notice of Meeting 2026 sets out the contributions and reasons for the re-election of each Director. The service agreements of the Executive Directors and the letters of appointment of the Non-Executive Directors are available for inspection at the Company's registered office on request. Brief details of these are also included on page 172 of the Directors' Remuneration Report. For information on the Directors' training, see page 124.

Directors' Share interests

The interests in Shares of the Directors holding office as at 28 March 2026 are shown within the Directors' Remuneration Report on pages 169 to 175. There were no changes to the beneficial interests of the Directors between the period 28 March 2026 and 13 May 2026.

Directors' powers and responsibilities

Subject to the Company's Articles of Association, the Companies Act 2006 and any directions given by special resolution, the business of the Group will be managed by the Board, which may exercise all the powers of the Group, including powers relating to the issue and/or buying back of Shares by the Group (subject to any statutory restrictions or restrictions imposed by shareholders at the AGM). Further information on the matters considered by the Board and decisions made during the year is set out in the Corporate Governance Report on pages 118 to 119. The Schedule of Matters Reserved for the Board can be found on Burberrypkc.com.

Directors' insurance and indemnities

In accordance with section 236 of the Companies Act 2006, the Company continues to indemnify the Company's Directors against any liability incurred in respect of acts or omissions arising in the course of their office. Qualifying third-party indemnities were in force during the financial year and at the date of approval of the Financial Statements. Each Director is covered by appropriate Directors' and Officers Indemnity Insurance.

Disclosures pursuant to UK Listing Rule 6.6.1

UK Listing Rule	Description of UK Listing Rule	Reference
6.6.1 (11) and (12)	Waivers of dividends	See Dividend paragraph on page 179

The Strategic Report from pages 2 to 105 and Directors' Report from pages 178 to 181 have been approved by the Board on 13 May 2026 in accordance with the Companies Act 2006.

By order of the Board

Gemma Parsons
Company Secretary

13 May 2026
Burberry Group plc
Registered Office: Horseferry House, Horseferry Road,
London SW1P 2AW
Registered in England and Wales
Registered number: 03458224

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report, the Directors' Remuneration Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group consolidated financial statements in accordance with the UK-adopted International Accounting Standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework' and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group and the Company for that year. In preparing these financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted International Accounting Standards have been followed for the Group financial statements, and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company financial statements, subject to any material departures disclosed and explained in the Group and parent Company financial statements respectively;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with section 418(2) of the Companies Act 2006, each of the Company's Directors in office at the date of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's external auditor is unaware; and
- the Director has taken all appropriate steps to ensure they are aware of any relevant audit information, and to establish that the Company's external auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors consider that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group and the Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed on pages 109 to 112, confirm that, to the best of their knowledge:

- the Company financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law), give a true and fair view of the assets, liabilities, financial position and profit of the Company;
- the Group financial statements, which have been prepared in accordance with the UK-adopted International Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and the Company, together with a description of the principal risks and uncertainties that it faces.

These statements were approved by the Board on 13 May 2026 and signed on its behalf by:

Joshua Schulman
Chief Executive Officer

Kate Ferry
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BURBERRY GROUP PLC

Opinion

In our opinion:

- Burberry Group plc's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 28 March 2026 and of the Group's profit for the 52-week period then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Burberry Group plc (the 'Company') and its subsidiaries (the 'Group') for the 52 week period then ended 28 March 2026 which comprise:

Group	Company
Income statement for the 52 weeks ended 28 March 2026	Balance sheet as at 28 March 2026
Statement of comprehensive income for the 52 weeks ended 28 March 2026	Statement of changes in equity for the 52 weeks ended 28 March 2026
Balance sheet as at 28 March 2026	Related notes A to M to the financial statements, including a summary of material accounting policies
Statement of changes in equity for the 52 weeks ended 28 March 2026	
Statement of cash flows for the 52 weeks ended 28 March 2026	
Related notes 1 to 30 to the financial statements, including a summary of material accounting policies	

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Company and we remain independent of the Group and the Company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group and Company's ability to continue to adopt the going concern basis of accounting included:

- In conjunction with our walkthrough of the Group's financial statement close process, we confirmed our understanding of management's going concern assessment process and engaged with management early to understand and assess the key assumptions made in their assessment;
- We checked the logic and arithmetical integrity of management's going concern model that includes the cash forecasts for the going concern assessment period covering the 18 month period up to 25 September 2027
- We assessed the appropriateness of the duration of the going concern assessment period of 18 months to 25 September 2027 and considered the existence of any significant events or conditions beyond this period based on our procedures on the group's long-range plan and knowledge arising from other areas of the audit.
- We considered the appropriateness of the revenue and operating expense assumptions used to calculate the cash forecasts under the base case and severe but plausible case scenarios. In light of the current geopolitical environment and uncertain global consumer demand, we specifically challenged management's plausible downside case scenario to assess if it was sufficiently severe for the going concern assessment;
- We reviewed the Group's debt agreements for any conditions precedent outside of management's control and also reviewed forecast compliance with covenant requirements in both the base and severe but plausible downside case scenarios during the going concern assessment period;
- We agreed the 28 March 2026 cash and cash equivalents balance included in the going concern assessment to the Group's year end cash and cash equivalents balance;
- We reviewed the borrowings of the Group to assess whether any are repayable within the going concern assessment period;
- We assessed the reasonableness of the cashflow forecasts included in the going concern assessment by analysing management's historical forecasting accuracy and for consistency of the going concern assessment with information obtained from other areas of the audit such as goodwill impairment, retail store impairment and recoverability of deferred tax assets;
- We evaluated the key assumptions by searching for contrary evidence to challenge these assumptions, including third party sector forecasts and analyst expectations. Further, we tested these assumptions for consistency with the budget approved by the Board;
- We challenged the measurement and completeness of the severe but plausible scenario modelled by management, whether the risks considered are sufficiently severe, and how these compare with the principal risks and uncertainties of the Group;
- We considered the mitigating factors available and that are within control of the Group. This included review of the Group's non-operating cash outflows and evaluating the Group's ability to control these outflows as mitigating actions if required;
- We performed a review of management's reverse stress test to identify the magnitude of decline in revenue that would lead to the Group utilising all liquidity during the going concern assessment period and we have considered the likelihood of such a decline;
- We reviewed activity in the subsequent events period to assess for contrary indicators;
- We reviewed the Group and Company's going concern disclosures included in the Annual Report to assess that the disclosures are consistent with the basis upon which the Board have concluded, and in conformity with the reporting standards.

We observe that in management's base case and severe but plausible downside scenario, there is headroom without taking into consideration the benefit of identified controllable mitigations.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Company's ability to continue as a going concern for a period up to 25 September 2027.

In relation to the Group and Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and Company's ability to continue as a going concern.

Overview of our audit approach

Audit scope	We performed an audit of the complete financial information of four components and audit procedures on specific balances for a further five components. We performed central procedures on financial statement line items as detailed in the 'Tailoring the scope' section below.
Key audit matters	- Valuation of finished goods inventory provision. - Impairment of retail store right-of-use assets and related property, plant and equipment. - Provision for uncertain tax positions.
Materiality	Overall Group materiality of £17.4m which represents approximately 0.7% of revenue.

An overview of the scope of the Company and Group audits

Tailoring the scope

Our audit scoping has been performed in line with the requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures.

When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, changes at specific components, macroeconomic and geopolitical factors, the applicable financial reporting framework, the Group's system of internal control at the entity level, the existence of centralised processes, applications, any relevant internal audit results and the potential impact of climate change.

We determined that centralised audit procedures would be performed on revenue, cost of sales, finance income and costs, goodwill included within intangible assets with indefinite lives, right-of-use assets and lease liabilities, impairment and impairment reversal of right-of-use assets and related property, plant and equipment, deferred tax assets, derivative financial assets and liabilities, inventory provision, existence of inventories (note: valuation of inventories was not centralised and was tested by component teams), restructuring charges, equity, borrowings, provision for uncertain tax positions and income tax.

We then identified four of the components of the Group as individually relevant due to materiality or financial size of the component relative to the Group. We then identified a further five of the components as individually relevant to the Group based on the materiality of specific accounts relative to the Group.

For the above nine relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the Group significant accounts on which centralised procedures would be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the Group significant financial statement account balance.

We then considered whether the remaining Group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the Group financial statements. We determined that no additional components of the Group were required to be included.

Having identified the components for which work would be performed, we determined the scope to assign to each component.

Of the nine components selected, we designed and performed audit procedures on the entire financial information of four components ("full scope components"). For five components, we designed and performed audit procedures on specific significant financial statement account balances or disclosures of the financial information of the component ("specific scope components").

Our scoping to address the risk of material misstatement for each key audit matter is set out in the Key audit matters section of our report.

Changes from the prior year

There have been no changes to the full or specific scope components in scope compared to the prior year.

Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the Group audit engagement team, or by component auditors operating under our instruction.

The Group audit team performs the testing for three of the four full scope components, which are the UK parent company and trading businesses in the UK and United States of America. A component team performs the testing for the mainland China trading business. The Group audit team performs the testing for two of the five specific scope components, which are a trading business in the United States of America and a trading business in Italy. Component audit teams perform the testing for the trading businesses in Korea, Japan and Hong Kong S.A.R., China.

The Group audit team continued to follow a programme of planned visits that has been designed to ensure that the Senior Statutory Auditor visits, virtually or in person, at least all individually relevant component teams each year. During the current year's audit cycle, the Senior Statutory Auditor performed an in person visit to the United States of America components, and to the Mainland China and Hong Kong S.A.R., China component teams. Virtual visits were undertaken by the Group audit team for the Korea and Japan components.

The Hong Kong S.A.R., China and China visits involved visiting local stores, holding meetings with local and regional management, discussing the year-end audit procedures to be performed by the component teams, communicating the procedures that would be performed centrally in the UK by the Group audit team, reviewing relevant working papers, and discussing any issues that had arisen. The Group audit team perform the audit procedures over the two United States of America components, so the site visit focused on visiting the local distribution centre and stores.

The Group audit team interacted regularly with the component teams where appropriate during various stages of the audit, reviewed relevant working papers and were responsible for the scope and direction of the audit process. Where relevant, the section on key audit matters details the level of involvement we had with component auditors to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole.

This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

Climate Change

Stakeholders are increasingly interested in how climate change will impact the Group. The Group has determined that the most significant future impacts from climate change on their operations will be from climate transition risks, specifically market risk associated with changing consumer preference and physical climate risks. These are explained on pages 46 to 75 in the required Task Force On Climate Related Financial Disclosures and on pages 97 to 103 in the principal risks and uncertainties. Climate targets for the Group are also explained on pages 55 to 65. All of these disclosures form part of the "Other information," rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

The Group has explained in Note 1 (Consideration of climate-related matters) how they have reflected the impact of climate change in their financial statements, including how this aligns with their commitments in the sustainability strategy. There are no significant judgements or estimates relating to climate change.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition, their climate targets, specifically on the valuation of the finished goods inventory provision, recoverability of deferred tax assets and impairment of retail store right-of-use assets and related property, plant and equipment. We have assessed whether these risks have been appropriately reflected in asset values, where values are determined through modelling future cash flows, following the requirements of UK adopted International Accounting Standards. As part of this evaluation, we performed our own risk assessment, supported by EY climate change specialists and senior members of the audit team, held meetings with the Group's Sustainability and Financial Reporting teams, to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the Directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work, whilst we have not identified the impact of climate change on the financial statements to be a standalone key audit matter, we have considered the impact on the impairment of retail store right-of-use assets and related property, plant and equipment key audit matter. Details of the impact, our procedures and findings are included in our explanation of key audit matters below.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk
Valuation of finished goods inventory provision As described in the Report of the Audit Committee (page 134); Accounting Policies (page 200); and Note 17 of the Consolidated Financial Statements (page 219) management raises a finished goods inventory provision to reflect where the expected net realisable value is lower than the carrying value of finished goods inventory at the balance sheet date. The Group has £67m of inventory provisions, representing 14.3% of the gross value of inventory of £468m as at 28 March 2026. Of the net inventory of £401m, £371m relates to finished goods. The Group determines the inventory provision considering the aging of inventory by season, identifying problem inventory and considering historical loss rates, and future sales forecasts and the expected channel by which the inventory will be exited. This process is inherently judgmental and there is therefore potential for management bias in relation to its allocation of inventory to certain sales channels as well as in relation to future sales forecasts.	- Performed a walkthrough of inventory provisioning process and identified and understood the design of key controls. - Evaluated the appropriateness of the Group's inventory provisioning policy. We assessed the inventory provision model for each relevant component for consistency with the Group's accounting policy. - Tested the integrity and accuracy of the inventory provisioning models and inputs, considering the source of information being used by management. - Applied professional scepticism, and in light of the current geopolitical environment and uncertain global consumer demand, performed sensitivity analysis on management's expected sell through and loss rates of inventory. - Used inventory movement data for the current year and analysed it to consider the inventory composition by season and product type. We used this data to develop an expectation and challenged management on any outliers identified. - Understood the planned sales channels and exit routes for surplus inventory and challenged whether these were consistent with prior periods, the overall sales profile of the Group and the Board-approved forecasts used elsewhere across the Group. We considered whether there was any evidence of management bias in the exit routes and sales forecasts used. - Performed analytical procedures on key assumptions and corroborated to our work performed across other accounts to identify and consider whether any contrary evidence existed. - Used data to corroborate explanations from management and to identify any contrary evidence related to the assumptions used by management in identifying slow-moving inventory or determining exit routes. We performed sensitivity analysis to assess the significance and risk of changed assumptions on the provision, primarily being the sell through, exit route and loss rates applied. - Reviewed disclosures in the financial statements for appropriateness including the requirement to disclose sensitivities where a reasonably possible change in a key assumption would result in a material change to the valuation of finished goods inventory provision.

Key observations communicated to the Audit Committee

We are satisfied the finished goods inventory provisions are appropriate and the Group's disclosures are appropriate.

How we scoped our audit to respond to the risk and involvement with component teams

All audit work performed to address this risk was undertaken by the group audit team.

Key audit matters continued

Risk	Our response to the risk
Impairment of retail store right-of-use assets and related property, plant and equipment As described in the Report of the Audit Committee (page 134); Accounting Policies (page 200); and Notes 13 and 14 of the Consolidated Financial Statements (pages 216 to 217), management assess the retail store right-of-use assets and related property, plant and equipment for impairment charges. The Group has £748m of right-of-use assets and £355m of property, plant and equipment as at 28 March 2026. In the 52 weeks to 28 March 2026, there was a net impairment charge of £10m. There is judgement and estimation uncertainty involved in determining the store forecast cash flows to measure impairment charges, in particular, the revenue growth and profit margin assumptions in light of the current geopolitical environment; and uncertain global consumer demand.	• Performed a walkthrough of the retail store impairment process and understood the design of key controls. • Reviewed and challenged the appropriateness of the Group's impairment policy. • Reviewed board minutes and met with regional commercial finance teams, strategy teams and general counsel to determine if any contrary evidence existed in relation to the future plans for stores. • Management considered whether indicators of impairment charges were present for the Group's retail store portfolio based on the Group's latest forecast. We assessed the completeness of the factors considered, including current geopolitical matters, and assessed the accuracy of the forecasted information in conjunction with our testing of the Group's forecasts further outlined below. • For the stores identified with indicators of impairment charge, the Group prepared value-in-use impairment models. Our procedures over the value-in-use impairment models included: • Assessed the methodology against the requirements of IAS 36 Impairment of Assets; • Tested the integrity of the model and data inputs used back to source data, for example agreeing store ROU asset and related property, plant and equipment values back to accounting records; • Involved EY valuations specialists to assess the appropriateness of the discount rate used; • Challenged assumptions used in cash flow forecasts such as revenue growth rates (both short-term and long-term) and profit margin assumptions, against historical results, third-party luxury sector forecasts and latest analyst reports; • Performed sensitivity analysis on key assumptions and stress testing calculations for stores most at risk of impairment; • Challenged whether cash flow forecasts adequately factored in known costs associated with physical and transition climate targets and any cashflows required to meet Burberry's publicly stated climate commitments; and • Assessed the disclosures in the financial statements against the requirements of IAS 36 Impairment of Assets, including the requirement to disclose sensitivities where a reasonably possible change in a key assumption would result in a material change to the impairment charge or reversal recorded.

Key observations communicated to the Audit Committee

We are satisfied that the consideration of indicators of impairment, methodology, significant underlying assumptions and judgements are reasonable and support management's conclusion to a net impairment charge during the year.

We are also satisfied with the disclosure and classification of the impairment charges.

How we scoped our audit to respond to the risk and involvement with component teams

All audit work performed to address this risk was undertaken by the group audit team.

Key audit matters continued

Risk	Our response to the risk
Provision for uncertain tax positions As described in the Report of the Audit Committee (page 134); Accounting Policies (page 200); and Note 9 of the Consolidated Financial Statements (page 213), the Group is subject to tax regulation in multiple jurisdictions and the centralised operating structure of the Group requires management to exercise judgement in making determinations as to the amount of tax that is payable. The Group is subject to tax authority audits and has a number of open tax enquiries in multiple jurisdictions at any point in time. As a result, the Group has recognised a number of provisions against uncertain tax positions, the valuation of which requires significant assumptions and judgement. We focused on this area due to the complexity, subjectivity, quantification of the provision and the judgement around the trigger for recognition or release impacting the provision and the effective tax rate.	• Performed a walkthrough of the tax provisioning process and understood the design of key controls. • Evaluated the appropriateness of the Group's transfer pricing and uncertain tax provisioning policies having met with tax management to understand the Group's cross-border transactions, status of all significant matters, including those provided for, and any changes to management's judgements in the year; • Read correspondence with tax authorities, tax opinions and external advisors to inform our assessment of recorded estimates and evaluated the completeness of the provisions recorded. For the most material cases, we utilised relevant internal specialists to understand the key judgements in the case. • Independently assessed management's significant assumptions and judgements to record or release provisions following tax audits, settlements and the expiry of statute of limitations; • Tested the accuracy of the calculation of the year end provisions by inspecting underlying documentation and supporting schedules; and • Evaluated the adequacy of tax disclosures in the financial statements, including the requirement to disclose sensitivities where a reasonably possible change in a key assumption would result in a material change to the provision for uncertain tax positions.
Key observations communicated to the Audit Committee We are satisfied that management's judgements in relation to the extent of provisions for uncertain tax positions are appropriate. We are also satisfied that the tax disclosures are appropriate.	
How we scoped our audit to respond to the risk and involvement with component teams All audit work performed to address this risk was undertaken by the primary audit team and supported by specialists.	

There have been no changes to the Key Audit Matters compared to the prior financial year.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £17.4 million (2025: £18.2 million), which is 0.7% of revenue (2025: 0.7% of revenue). The Group has not yet reached a consistent level of profitability and hence an earnings based measure, we believe, would have resulted in a materiality below expectations of the users of the financial statements. We therefore considered other performance metrics that are most relevant to the users of the financial statements and determined revenue to be the most appropriate basis.

We determined materiality for the Company to be £19.2 million (2025: £25.6 million), which is 0.75% (2025: 1%) of total assets. For any Company balances that are consolidated into the Group financial statements, an allocation of Group performance materiality was used.

During the course of our audit, we reassessed initial materiality based on forecasts provided by management. Our final assessment reflected the actual reported performance for the period.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2025: 75%) of our planning materiality, namely £13.1m (2025: £13.7m). We have set performance materiality at this percentage due to our assessment of the Group's overall control environment and the likelihood of undetected misstatements.

Audit work was undertaken at component locations for the purpose of responding to the assessed risk of material misstatement of the Group financial statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was £2.5m to £11.1m (2025: £2.7m to £11.5m).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.87m (2025: £0.91m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report set out on pages 2 to 180, including the Strategic Report and Corporate Governance Statement, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate Governance Statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 197;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 104;
- Directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 105;
- Directors' statement on fair, balanced and understandable set out on page 181;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 136;
- The section of the annual report that describes the review of the effectiveness of risk management and internal control systems set out on page 136; and
- The section describing the work of the audit committee set out on pages 132 to 140.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 181, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (UK adopted International Accounting Standards, UK GAAP, the Companies Act 2006 and the UK Corporate Governance Code) and the relevant tax laws and regulations in the jurisdictions in which the Group operates. In addition, we concluded that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements, being the Listing Rules of the UK Listing Authority, and those laws and regulations relating to health and safety, employees, environmental, social and anti-bribery and corruption practices.
- We understood how the Group is complying with those frameworks by making enquiries of management, including internal audit, those responsible for legal and compliance procedures, and the company secretary. We corroborated our enquiries through our review of Board minutes and papers provided to the Audit Committee, and observation in Audit Committee and Risk Committee meetings, as well as consideration of the results of our audit procedures across the Group.

- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with finance and operational management from various parts of the business to understand where it considered there was susceptibility to fraud. We also considered performance targets and their potential to influence management to manage earnings. We have determined there is a risk of fraud associated to a risk of management override of controls over manual revenue journals. We obtained an understanding of the related party transactions and significant transactions occurring with related parties in the year. We considered the policies, processes and controls that the Group has established to address the risks identified, including the design of controls over each significant revenue stream. We also considered the controls that the Group has that otherwise prevent, deter and detect fraud, and how senior management monitors these controls. We performed audit procedures to address each identified fraud risk. These procedures were designed to provide reasonable assurance that the financial statements as a whole are free from material misstatement due to fraud or error.
- Based on this understanding, we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved providing specific instructions to full and specific scope component teams and, where necessary, using relevant specialists. Our procedures included journal entry testing, with a focus on manual journal entries, consolidation journal entries and journal entries indicating large or unusual transactions using data analytics. We based this testing on our understanding of the business, enquiries of management, including internal audit, legal and other advisors, the company secretary and reading relevant reports. We have also reviewed the whistleblowing reports issued during the year. Any instances of non-compliance with laws and regulations identified that might have an impact on components were communicated to the component audit teams and considered in our audit approach, if applicable.
- In addition, we completed procedures to conclude on the compliance of the disclosures in the Annual Report and Accounts with all applicable requirements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the Audit Committee, we were appointed by the Company at its Annual General Meeting on 15 July 2020 to audit the financial statements for the Company for the period ending 27 March 2021, and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is six years, covering the periods ended 27 March 2021 to 28 March 2026.
- The audit opinion is consistent with the additional report to the Audit Committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ben Marles (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

13 May 2026

GROUP INCOME STATEMENT

52 weeks ended 28 March 2026

	Note	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Revenue	3	2,420	2,461
Cost of sales		(777)	(923)
Gross profit		1,643	1,538
Operating expenses		(1,539)	(1,564)
Other operating income		11	23
Net operating expenses	4	(1,528)	(1,541)
Operating profit/(loss)		115	(3)
Financing			
Finance income		23	25
Finance expense		(89)	(88)
Net finance expense	8	(66)	(63)
Profit/(loss) before taxation	5	49	(66)
Taxation	9	(29)	(9)
Profit/(loss) for the year		20	(75)
Attributable to:			
Owners of the Company		21	(75)
Non-controlling interest		(1)	–
Profit/(loss) for the year		20	(75)
Earnings/(loss) per share			
Basic	10	5.9p	(20.9)p
Diluted	10	5.9p	(20.9)p
		£m	£m
Reconciliation of adjusted profit before taxation:			
Profit/(loss) before taxation		49	(66)
Adjusting operating items:			
Net operating expenses	6	45	29
Adjusted profit/(loss) before taxation – non-GAAP measure		94	(37)
Adjusted earnings/(loss) per share – non-GAAP measure			
Basic	10	15.3p	(14.8)p
Diluted	10	15.2p	(14.8)p
Dividends per share			
Interim	11	–	–
Proposed final (not recognised as a liability at 28 March/29 March)	11	–	–

GROUP STATEMENT OF COMPREHENSIVE INCOME

52 weeks ended 28 March 2026

	Note	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Profit/(loss) for the year		20	(75)
Other comprehensive income/(loss) ¹ :			
Cash flow hedges	24	1	1
Foreign currency translation differences	24	(13)	(25)
Other comprehensive loss for the year, net of tax		(12)	(24)
Total comprehensive income/(loss) for the year		8	(99)
Total comprehensive income/(loss) attributable to:			
Owners of the Company		9	(99)
Non-controlling interest		(1)	–
		8	(99)

1. All items included in other comprehensive income may subsequently be reclassified to profit and loss in a future period.

GROUP BALANCE SHEET

52 weeks ended 28 March 2026

	Note	As at 28 March 2026 £m	As at 29 March 2025 £m
ASSETS			
Non-current assets			
Intangible assets	12	214	229
Property, plant and equipment	13	355	398
Right-of-use assets	14	748	867
Deferred tax assets	15	245	233
Trade and other receivables	16	48	48
		1,610	1,775
Current assets			
Inventories	17	401	424
Trade and other receivables	16	323	309
Derivative financial assets	18	3	11
Income tax receivables		83	95
Cash and cash equivalents	19	671	813
		1,481	1,652
Total assets		3,091	3,427
LIABILITIES			
Non-current liabilities			
Trade and other payables	20	(48)	(54)
Lease liabilities	21	(751)	(866)
Borrowings	23	(511)	(438)
Deferred tax liabilities	15	–	(1)
Derivative financial liabilities	18	(5)	(3)
Provisions for other liabilities and charges	22	(38)	(33)
		(1,353)	(1,395)
Current liabilities			
Trade and other payables	20	(462)	(405)
Bank overdrafts	23	(57)	(105)
Lease liabilities	21	(204)	(215)
Borrowings	23	–	(300)
Derivative financial liabilities	18	(10)	(1)
Income tax liabilities		(41)	(58)
Provisions for other liabilities and charges	22	(18)	(27)
		(792)	(1,111)
Total liabilities		(2,145)	(2,506)
Net assets		946	921
EQUITY			
Capital and reserves attributable to owners of the Company			
Ordinary share capital	24	–	–
Share premium account		231	231
Capital reserve	24	41	41
Hedging reserve	24	4	3
Foreign currency translation reserve	24	160	173
Retained earnings		504	466
Equity attributable to owners of the Company		940	914
Non-controlling interest in equity		6	7
Total equity		946	921

The consolidated financial statements of Burberry Group plc (registered number 03458224) on pages 181 to 236 were approved and authorised for issue by the Board on 13 May 2026 and signed on its behalf by:

Joshua Schulman
Chief Executive Officer

Kate Ferry
Chief Financial Officer

GROUP STATEMENT OF CHANGES IN EQUITY

52 weeks ended 28 March 2026

	Note	Attributable to owners of the Company			Retained earnings £m	Total £m	Non- controlling interest £m	Total equity £m
		Ordinary share capital £m	Share premium account £m	Other reserves £m				
Balance as at 30 March 2024		–	231	241	675	1,147	7	1,154
Loss for the year		–	–	–	(75)	(75)	–	(75)
Other comprehensive income:								
Cash flow hedges	24	–	–	1	–	1	–	1
Foreign currency translation differences	24	–	–	(25)	–	(25)	–	(25)
Total comprehensive loss for the year		–	–	(24)	(75)	(99)	–	(99)
Transactions with owners:								
Employee share incentive schemes								
Equity share awards		–	–	–	18	18	–	18
Dividends paid in the year		–	–	–	(152)	(152)	–	(152)
Balance as at 29 March 2025		–	231	217	466	914	7	921
Profit for the year		–	–	–	21	21	(1)	20
Other comprehensive income:								
Cash flow hedges	24	–	–	1	–	1	–	1
Foreign currency translation differences	24	–	–	(13)	–	(13)	–	(13)
Total comprehensive income for the year		–	–	(12)	21	9	(1)	8
Transactions with owners:								
Employee share incentive schemes								
Equity share awards		–	–	–	21	21	–	21
Tax on share awards		–	–	–	1	1	–	1
Purchase of own shares								
Purchase of shares held by ESOP trusts	24	–	–	–	(5)	(5)	–	(5)
Balance as at 28 March 2026		–	231	205	504	940	6	946

GROUP STATEMENT OF CASH FLOWS

52 weeks ended 28 March 2026

	Note	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Cash flows from operating activities			
Profit/(loss) before tax		49	(66)
Adjustments to reconcile profit before tax to net cash flows:			
Amortisation of intangible assets	12	44	54
Depreciation of property, plant and equipment	13	111	112
Depreciation of right-of-use assets	14	220	247
Impairment charge of intangible assets	12	4	4
Net impairment charge of property, plant and equipment	13	3	10
Net impairment charge of right-of-use assets	14	7	32
Loss on disposal of property, plant and equipment		1	–
Gain on modification of right-of-use assets		(1)	(15)
Loss/(gain) on derivative instruments		16	(8)
Charge in respect of employee share incentive schemes	27	21	18
Net finance expense		66	63
Working capital changes:			
Decrease in inventories		19	80
(Increase)/decrease in receivables		(15)	36
Increase/(decrease) in payables and provisions		37	(41)
Cash generated from operating activities		582	526
Interest received		25	21
Interest paid		(78)	(75)
Taxation paid		(45)	(43)
Net cash generated from operating activities		484	429
Cash flows from investing activities			
Purchase of property, plant and equipment		(72)	(122)
Purchase of intangible assets		(41)	(29)
Proceeds from sale of property, plant and equipment		–	12
Initial direct costs of right-of-use assets		(1)	1
Payment received on termination of lease		–	11
Net cash outflow from investing activities		(114)	(127)
Cash flows from financing activities			
Dividends paid in the year	11	–	(152)
Proceeds from borrowings	23	75	439
Repayment of borrowings	23	(300)	–
Payment of deferred consideration for acquisition of non-controlling interest	20	–	(2)
Payment of lease principal	21	(229)	(232)
Payment on termination of lease	21	–	(5)
Purchase of own shares by ESOP trusts	24	(5)	–
Net cash inflow/(outflow) from financing activities		(459)	48
Net (decrease)/increase cash net of overdrafts		(89)	350
Effect of exchange rate changes		(5)	(4)
Cash net of overdrafts at beginning of year		708	362
Cash net of overdrafts		614	708
	Note	52 weeks to 28 March 2026 £m	52 weeks to 30 March 2025 £m
Cash and cash equivalents	19	671	813
Bank overdrafts	23	(57)	(105)
Cash net of overdrafts		614	708

1. Basis of preparation

Burberry Group plc and its subsidiaries (the Group) is a global luxury goods manufacturer, retailer and wholesaler. The Group also licenses third parties to manufacture and distribute products using the 'Burberry' trademarks. All of the companies which comprise the Group are controlled by Burberry Group plc (the Company) directly or indirectly.

The consolidated financial statements of the Group have been prepared in accordance with the requirements of the Companies Act 2006 and UK-adopted International Accounting Standards (IFRS). These consolidated financial statements have been prepared under the historical cost convention, except as modified by the revaluation of certain financial assets and financial liabilities at fair value.

The consolidated financial statements are presented in £m. Financial ratios are calculated using unrounded numbers.

Consideration of climate-related matters

The Group has performed a climate-related scenario analysis as required by the Task Force on Climate-related Financial Disclosures. This scenario analysis takes into consideration different climate-related scenarios, including a 2°C or lower scenario. Based on this scenario analysis, consideration has been given to the impact of climate-related risks on management's judgements and estimates, including inventory provisions and the impairment of property, plant and equipment and right-of-use assets.

The incurred costs and investments associated with our sustainability strategy are reflected in the Group's financial statements, including within inventories, property, plant and equipment, and operating profit.

The impact of climate-related risks on the consolidated financial statements for the 52 weeks to 28 March 2026 is not material (last year: not material). This is due to the time horizons in which physical risks are expected to be most significant not aligning to the useful lives of our assets and the investments we continue to make to mitigate market and policy risks.

The committed future financial investments associated with our sustainability strategy are included within our budget and three-year forward-looking financial plans. These financial plans have been used to support our impairment reviews and going concern and viability assessment. Future plans may incur additional investment on research and development, higher expenditure on raw materials and other as yet unidentified costs.

Going concern

In considering the appropriateness of adopting the going concern basis in preparing the financial statements, the Directors have assessed the potential cash generation of the Group. This assessment covers the period of a minimum of 12 months from the date of signing the financial statements. The Directors have also considered the forecast for the period up to 25 September 2027, for indicators that the going concern basis of preparation is not appropriate.

The scenarios considered by the Directors include a severe but plausible downside scenario reflecting the Group's base plan adjusted for severe but plausible impacts from the Group's principal risks. This central planning scenario is informed by a comprehensive review of macroeconomic scenarios using third-party projections of macroeconomic data for the luxury fashion industry. The Group's central planning scenario reflects a balanced projection with a continued focus on maintaining momentum built as part of the strategy.

As a sensitivity, this central planning scenario has been stressed to reflect the aggregation of severe impacts arising linked to our principal risks which in total represents a 18% downgrade to revenues in the 18-month period to 25 September 2027, in comparison to the base case, as well as the associated consequences for EBITDA and cash. Management considers that this represents a severe but plausible downside scenario appropriate for assessing going concern.

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 was, in the Group's opinion, implausible.

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

- A more severe and prolonged reduction in the GDP growth assumptions across the markets in which we operate combined with a reduction to our global consumer demand arising from a change in consumer preference compared to our central planning scenario.
- An increase in geopolitical tension which leads to risks compared to the central planning scenario.
- A significant reputational incident such as negative sentiment propagated through social media.
- The impact of a business interruption event, resulting in a two-week interruption arising from the supply chain impact, and interruption to our digital channel.
- 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 impact of not delivering the anticipated cost savings from the Burberry Forward transformation programme in FY 2027/28.
- A short-term impact of a 10% weakening in a key non-sterling currency for the Group before it is recovered through price adjustment.

1. Basis of preparation continued

Going concern continued

Further mitigating actions within management control could be taken under each scenario, including working capital reduction measures and limiting capital expenditure, and/or variable marketing costs, but these were not incorporated into the downside modelling.

The Directors have also considered the Group's current liquidity and available facilities. As at 28 March 2026, the Group Balance Sheet reflects cash net of overdrafts of £614 million. In addition, the Group has access to a £300 million revolving credit facility (RCF) which matures in November 2027, which is currently undrawn. The going concern assessment does not rely upon having access to the £300 million RCF. The £75 million RCF is anticipated to be paid using existing cash resources.

The Group is in compliance with the covenants for the revolving credit facilities and the borrowings are not subject to covenants. Details of cash, overdrafts, borrowings and facilities are set out in notes 19 and 23 respectively of these financial statements.

In all the scenarios assessed, taking into account liquidity and available resources, and before the inclusion of any mitigating actions within management control, the Group is able to maintain sufficient liquidity to continue trading throughout the going concern period up to 25 September 2027. On the basis of the assessment performed, the Directors consider it is appropriate to continue to adopt the going concern basis in preparing the consolidated financial statements for the 52 weeks ended 28 March 2026.

New standards, amendments and interpretations adopted in the period

There are no standards or amendments effective for the first time for the 52 weeks to 28 March 2026 that have a material impact on the financial statements of the Group.

Standards not yet adopted

Certain new accounting standards and amendments to standards have been published that are not yet mandatory for the 52 weeks to 28 March 2026 and have not been early adopted by the Group. The Group is assessing the impact of these standards, including the impact from Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7, which is effective for the reporting period beginning 29 March 2026, and may have an impact on the Group. The Group has begun a comprehensive assessment of the impact of IFRS 18 Presentation and Disclosure in Financial Statements, which is effective for the reporting period beginning on 28 March 2027, to identify expected changes in the presentation of the Group's financial statements and in internal processes necessary to meet the requirements.

Basis of consolidation

The Group's annual financial statements comprise those of Burberry Group plc (the Company) and its subsidiaries, presented as a single economic entity. The results of the subsidiaries are prepared for the same reporting year as the Company, using consistent accounting policies across the Group.

The financial year is the 52 weeks ended 28 March 2026 (last year: 52 weeks ended 29 March 2025).

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the portion of the reporting period during which the Group had control. Intra-group transactions, balances and unrealised profits on transactions between Group companies are eliminated in preparing the Group financial statements. The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For acquisitions of additional interests in subsidiaries from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of interests in subsidiaries to non-controlling interests where control remains are also recorded in equity.

Key sources of estimation uncertainty

Preparation of the consolidated financial statements in conformity with IFRS requires that management make certain estimates and assumptions that affect the measurement of reported revenues, expenses, assets and liabilities and the disclosure of contingent liabilities.

If in the future such estimates and assumptions, which are based on management's best estimates at the date of the financial statements, deviate from actual circumstances, the original estimates and assumptions will be updated as appropriate in the period in which the circumstances change.

1. Basis of preparation continued

Key sources of estimation uncertainty continued

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas where the estimates and assumptions applied have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are discussed below. Further details of the Group's accounting policies in relation to these areas are provided in note 2.

Impairment, or reversals of impairment, of property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are reviewed for impairment or reversals of impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations prepared using management's best estimates and assumptions at the time. Refer to notes 13 and 14 for further details of retail property, plant and equipment, right-of-use assets and impairment reviews carried out in the period and for sensitivities relating to this key source of estimation uncertainty.

Inventory provisioning

The Group purchases, manufactures and sells luxury goods and is subject to changing consumer demands and fashion trends. The recoverability of the cost of inventories is assessed every reporting period by considering the expected net realisable value of inventory compared to its carrying value. Where the net realisable value is lower than the carrying value, a provision is recorded. When calculating inventory provisions, management considers the nature and condition of the inventory, as well as applying assumptions in respect of anticipated saleability of finished goods and future usage of raw materials. Refer to note 17 for further details of the carrying value of inventory and inventory provisions and for sensitivities relating to this key source of estimation uncertainty.

Uncertain tax positions

In common with many multinational companies, the Group faces tax audits in jurisdictions around the world in relation to intra-group transactions between associated entities within the Group. These tax audits are often subject to inter-government negotiations. The matters under discussion are often complex and can take many years to resolve.

Tax liabilities are recorded based on management's estimate of either the most likely amount or the expected value amount depending on which method is expected to better reflect the resolution of the uncertainty. Given the inherent uncertainty in assessing tax outcomes, the Group could, in future periods, experience adjustments to these uncertain tax positions that have a material positive or negative effect on the Group's results for a particular period.

Refer to note 9 for further details of management estimates surrounding the outcome of all matters under dispute or negotiation between governments in relation to current tax liabilities recognised at 28 March 2026, and for discussion regarding sensitivities relating to this key source of estimation uncertainty.

Key judgements in applying the Group's accounting policies

Judgements are those decisions made when applying accounting policies which have a significant impact on the amounts recognised in the Group financial statements. Further details of the Group's accounting policies are provided in note 2. Key judgements that have a significant impact on the amounts recognised in the Group financial statements for the 52 weeks to 28 March 2026 and the 52 weeks to 29 March 2025 are as follows:

Where the Group is a lessee, judgement is required in determining the lease term at initial recognition, and throughout the lease term, where extension or termination options exist. In such instances, all facts and circumstances that may create an economic incentive to exercise an extension option, or not exercise a termination option, have been considered to determine the lease term. Considerations include, but are not limited to, the period assessed by management when approving initial investment, together with costs associated with any termination options or extension options. Extension periods (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Where the lease term has been extended by assuming an extension option will be recognised, this will result in the initial right-of-use assets and lease liabilities at inception of the lease being greater than if the option was not assumed to be exercised. Likewise, assuming a break option will be exercised will reduce the initial right-of-use assets and lease liabilities.

Refer to note 21 for further details surrounding the judgements regarding the impact of breaks and options on lease liabilities.

2. Accounting policies

The material accounting policies of the Group are:

a) Revenue

The Group obtains revenue from contracts relating to sales of luxury goods to retail and wholesale customers. The Group also obtains revenue through licences issued to third parties to produce and sell goods carrying 'Burberry' trademarks. Retail purchases are paid at time of purchase while wholesale and licensing purchases are paid on short-term credit terms. Revenue is stated excluding Value Added Tax and other sales-related taxes.

Retail and wholesale revenue

For retail and wholesale revenue, the primary performance obligation is the transfer of luxury goods to the customer. For retail revenue this is considered to occur when control of the goods passes to the customer. For in-store retail revenue, control transfers when the customer takes possession of the goods in store and pays for the goods. For digital retail revenue, control is considered to transfer when the goods are delivered to the customer. The timing of transfer of control of the goods in wholesale transactions depends upon the terms of trade in the contract. Principally for wholesale revenue, revenue is recognised either when goods are collected by the customer from the Group's premises, or when the Group has delivered the goods to the location specified in the contract. Provision for returns and other allowances are reflected in revenue when revenue from the customer is first recognised. A sales return liability and a corresponding return asset within gross inventory are recognised. Retail customers typically have the right to return product within a limited time frame while wholesale customers typically have the right to return damaged and, under agreement, certain current season products. Returns are initially estimated based on historical levels and adjusted subsequently as returns are incurred.

Some wholesale contracts may require the Group to make payments to the wholesale customer for services directly relating to the sale of the Group's goods, such as the cost of staff handling the Group's goods at the wholesaler. Payments to the customer directly relating to the sale of goods to the customer are recognised as a reduction in revenue, unless in exchange for a distinct good or service. These charges are recognised in revenue at the later of when the sale of the related goods to the customer is recognised or when the customer is paid, or promised to be paid, for the service. Payments to the customer relating to a service which is distinct from the sale of goods to the customer are recognised in operating costs.

The Group sells gift cards and similar products to customers which can be redeemed for goods, up to the value of the card, at a future date. Revenue relating to gift cards is recognised when the card is redeemed, up to the value of the redemption. Unredeemed amounts on gift cards are classified as contract liabilities. Typically, the Group does not expect to have significant unredeemed amounts arising on its gift cards.

Licensing revenue

The Group's licences entitle the licensee to access the Group's trademarks over the term of the licence. Hence revenue from licensing is recognised over the term of access to the licence. Royalties receivable under licence agreements are usually based on production or sales volumes and are accrued in revenue as the subsequent production or sale occurs. Any amounts received which have not been recognised in revenue are classified as contract liabilities.

b) Segment reporting

As required by IFRS 8 Operating Segments, the segmental information presented in the financial statements is reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance, has been identified as the Board of Directors.

The Group has centralised activities for designing, making and sourcing which ensure a global product offering is sold through retail and wholesale channels worldwide. Resource allocation and performance is assessed across the whole of the retail/wholesale channel globally. Hence the retail/wholesale channel has been determined to be an operating segment.

Licensed products are manufactured and sold by third-party licensees. As a result, this channel is assessed discretely by the Chief Operating Decision Maker and has been determined to be an operating segment.

The Group presents an analysis of its revenue by channel, by product division and by geographical destination.

c) Business combinations

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities assumed at the date of exchange. Contingent payments are subsequently remeasured at fair value through the Income Statement. All transaction costs are expensed to the Income Statement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. Non-controlling interests in subsidiaries are identified separately from the Group's equity, and are initially measured either at fair value or at a value equal to the non-controlling interests' share of the identifiable net assets acquired. The choice of the basis of measurement is an accounting policy choice for each individual business combination. The excess of the cost of acquisition together with the value of any non-controlling interest over the fair value of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the Income Statement.

2. Accounting policies continued

d) Share schemes

The Group operates a number of equity-settled share-based compensation schemes under which services are received from employees (including Executive Directors) as consideration for equity instruments of the Company. The cost of the share-based incentives is measured with reference to the fair value of the equity instruments awarded at the date of grant, including share awards and options. Appropriate option pricing models, including Black-Scholes, are used to determine the fair value of the option awards made. The fair value takes into account the impact of any market performance conditions, but the impact of non-market performance conditions is not considered in determining the fair value on the date of grant. Vesting conditions which relate to non-market conditions are allowed for in the assumptions used for the number of share awards or options expected to vest. The estimate of the number of share awards or options expected to vest is revised at each balance sheet date.

In some circumstances, employees may provide services in advance of the grant date. The grant date fair value is estimated for the purposes of recognising the expense during the period between the service commencement period and the grant date.

The cost of the share-based incentives is recognised as an expense over the vesting period of the share awards, or options, with a corresponding credit in equity.

When share awards or options are exercised, they are settled either via the issue of new shares in the Company, or through shares held in an Employee Share Option Plan trust or The Burberry Group plc SIP Trust (collectively known as the ESOP trusts), depending on the terms and conditions of the relevant scheme. For new shares issued, the proceeds received from the exercise of share options, net of any directly attributable transaction costs, are credited to share capital and share premium accounts. When ESOP shares are used, any difference between the exercise price and their cost is recognised in retained earnings.

e) Leases

The Group is a lessee of property, plant and equipment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. An identified asset may be specifically or implicitly specified. Control exists when the lessee has both the right to direct the use of the identified asset and the right to obtain substantially all of the economic benefits from that use.

Lessee accounting

The Group's principal lease arrangements where the Group acts as the lessee are for property, most notably the lease of retail stores, corporate offices and warehouses. Other leases are for advertising fixtures, office equipment, vehicles, and supply chain equipment. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The Group recognises all lease liabilities and the corresponding right-of-use assets on the Balance Sheet, with the exception of certain short-term leases (12 months or less) and leases of low value assets, which are expensed as incurred. Leases and the corresponding right-of-use assets are initially recognised when the Group obtains control of the underlying asset. Leases for new assets are presented as additions to lease liabilities and right-of-use assets.

Lease liabilities are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any incentives
- Variable lease payments that are based on a future index or rate
- Amounts expected to be payable by the lessee under residual value guarantees

Where the lease contains an extension option or a termination option which is exercisable by the Group, as lessee, an assessment is made as to whether the Group is reasonably certain to exercise the extension option, or not exercise the termination option, considering all relevant facts and circumstances that create an economic incentive. Considerations may include the contractual terms and conditions for the optional periods compared to market rates, costs associated with the termination of the lease and the importance of the underlying asset to the Group's operations.

Variable lease payments dependent upon a future index or rate are measured using the amounts payable at the commencement date until the index or rate is known. Variable lease payments not dependent on an index or rate, including lease payments based on a percentage of turnover, are excluded from the calculation of lease liabilities.

Payments are discounted at the incremental borrowing rate of the lessee, unless the interest rate implicit in the lease can be readily determined.

Right-of-use assets are classified as property or non-property. The Group has elected not to apply the short-term exemption to the property class of right-of-use assets. Where the exemption is applied to the non-property class of right-of-use assets, lease payments are expensed as incurred. The low value asset exemption has been applied to the non-property class of assets where applicable.

2. Accounting policies continued

e) Leases continued

Lessee accounting continued

In circumstances where the Group is in possession of a property but there is no executed agreement or other binding obligation in relation to the property, rent is expensed until such time the obligation becomes binding, at which point, a right-of-use asset and lease liability will be recognised prospectively. These lease costs are disclosed as lease in holdover expenses. Refer to notes 5 and 21.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date less any lease incentives received and
- Any initial direct costs incurred in entering into the lease

The Group recognises depreciation of right-of-use assets and interest on lease liabilities in the Income Statement over the lease term. Repayments of lease liabilities are classified separately in the Statement of Cash Flows where the cash payments for the principal portion of the lease liability are presented within financing activities, and cash payments for the interest portion are presented within operating activities. Payments in relation to variable lease payments based on turnover, short-term leases and leases of low value assets which are not included on the Balance Sheet are included within operating expenses.

Modifications to lease agreements, extensions to existing lease agreements and changes to future lease payments relating to existing terms in the contract, including market rent reassessments and index-based changes, are presented as remeasurements of the lease liabilities. The related right-of-use asset is also remeasured. If the modification results in a reduction in scope of the lease, either through shortening the lease term or through disposing of part of the underlying asset, a gain or loss on disposal may arise relating to the difference between the lease liabilities and the right-of-use asset applicable to the reduction in scope.

Right-of-use assets are included in the review for impairment of property, plant and equipment and intangible assets with finite economic lives, if there is an indication that the carrying amount of the cash generating unit may not be recoverable.

f) Dividend distributions

Dividend distributions to Burberry Group plc's shareholders are recognised as a liability in the period in which the dividend becomes a committed obligation. Final dividends are recognised when they are approved by the shareholders. Interim dividends are recognised when paid.

g) Pension costs

Eligible employees participate in defined contribution pension schemes, the principal one being in the UK with its assets held in an independently administered fund. The cost of providing these benefits to participating employees is recognised in the Income Statement as they fall due and comprises the amount of contributions from the Group to the schemes.

h) Intangible assets

Goodwill

Goodwill is the excess of the cost of acquisition together with the value of any non-controlling interest, over the fair value of identifiable net assets acquired. Goodwill on acquisition is recorded as an intangible asset. Fair values are attributed to the identifiable assets, liabilities and contingent liabilities that existed at the date of acquisition, reflecting their condition at that date. Adjustments are also made to align the accounting policies of acquired businesses with those of the Group.

Goodwill is assigned an indefinite useful life. Impairment reviews are performed annually, or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable. Impairment losses recognised on goodwill are not reversed in future periods.

Trademarks, licences and other intangible assets

The cost of securing and renewing trademarks and licences, and the cost of acquiring other intangible assets, is capitalised at purchase price, or fair value if acquired through a business combination, and amortised by equal annual instalments over the period in which benefits are expected to accrue, typically 10 years for trademarks, or the term of the licence. The useful life of trademarks and other intangible assets is determined on a case-by-case basis, in accordance with the terms of the underlying agreement and the nature of the asset.

Computer software

Computer software costs are capitalised during the development phase at the point at which there is sufficient certainty that the software will deliver future economic benefits to the Group. The cost of acquiring computer software (including licences and separately identifiable development costs) is capitalised as an intangible asset at purchase price, plus any directly attributable cost of preparing that asset for its intended use. Software costs are amortised on a straight-line basis over their estimated useful lives, which may be up to seven years.

2. Accounting policies continued

i) Property, plant and equipment

Property, plant and equipment, with the exception of assets in the course of construction, is stated at cost or deemed cost based on historical revalued amounts prior to the adoption of IFRS, less accumulated depreciation and provision to reflect any impairment in value. Assets in the course of construction are stated at cost less any provision for impairment and transferred to completed assets when substantially all of the activities necessary for the asset to be ready for use have occurred. Cost includes the original purchase price of the asset and costs attributable to bringing the asset to its working condition for its intended use.

Depreciation

Depreciation of property, plant and equipment is calculated to write off the cost or deemed cost, less residual value, of the assets in equal annual instalments over their estimated useful lives at the following rates:

Type of asset	Category of property, plant and equipment	Useful life
Land	Freehold land and buildings	Not depreciated
Freehold buildings	Freehold land and buildings	Up to 50 years
Leasehold improvements	Leasehold improvements	Over the unexpired term of the lease
Plant and machinery	Fixtures, fittings and equipment	Up to 15 years
Retail fixtures and fittings	Fixtures, fittings and equipment	Up to 5 years
Office fixtures and fittings	Fixtures, fittings and equipment	Up to 5 years
Computer equipment	Fixtures, fittings and equipment	Up to 7 years
Assets in the course of construction	Assets in the course of construction	Not depreciated

Profit/loss on disposal of property, plant and equipment and intangible assets

Profits and losses on the disposal of property, plant and equipment and intangible assets represent the difference between the net proceeds and net book value at the date of sale or disposal. Disposals are accounted for when the relevant transaction becomes unconditional.

j) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets under construction are also tested annually. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstance indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, retail assets are grouped at the lowest levels for which there are separately identifiable cash inflows, being individual stores (cash generating units), and goodwill assets are considered at the lowest level being monitored by management. Non-financial assets, other than goodwill, for which an impairment has been previously recognised, are reviewed for possible reversal of impairment at each reporting date.

k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost consists of all costs of purchase, costs of conversion, design costs and other costs incurred in bringing the inventories to their first point of sale location and condition. The cost of inventories is determined using a weighted average cost method, taking account of the fashion seasons for which the inventory was offered. Where necessary, provision is made to reduce cost to no more than net realisable value having regard to the nature and condition of inventory, as well as its anticipated utilisation and saleability.

2. Accounting policies continued

l) Taxation

Tax expense represents the sum of the current tax expense and the deferred tax charge.

Current tax is based on taxable profit for the year. Taxable profit differs from profit or loss as reported in the Income Statement because it excludes items of income or expense which are taxable or deductible in other years and it further excludes items which are never taxable or deductible. The Group's liability for current tax is calculated using tax rates which have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised, using the liabilities method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the temporary difference arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences, no deferred tax will be recognised. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entities or different taxable entities where there is an intention to settle the balances on a net basis.

m) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and where the amount of the obligation can be reliably estimated. When the effect of the time value of money is material, provision amounts are calculated based on the present value of the expenditures expected to be required to settle the obligation. The present value is calculated using forward market interest rates as measured at the balance sheet reporting date, which have been adjusted for risks specific to the future obligation.

Property obligations

A provision for the present value of future property reinstatement costs is recognised where there is an obligation to return the leased property to its original condition at the end of a lease term. The reinstatement cost at the end of a lease usually arises due to leasehold improvements and modifications carried out by the Group in order to customise the property during tenure of the lease. As a result, the cost of the reinstatement provision is recognised as a component of the cost of the leasehold improvements in property, plant and equipment when these are installed and amortised to the Income Statement over the expected life of the lease.

n) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, is deducted from retained earnings. Where such shares are subsequently cancelled, a transfer is made from retained earnings to the capital reserve, equivalent to the nominal value of the shares purchased and subsequently cancelled.

Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is credited to retained earnings up to the value of the consideration originally paid. Any additional consideration received is credited to the share premium account included in equity attributable to owners of the Company.

2. Accounting policies continued

o) Financial instruments

Financial instruments are initially recognised at fair value plus directly attributable transaction costs on the Balance Sheet when the entity becomes a party to the contractual provisions of the instrument. A financial asset is derecognised when the contractual rights to the cash flow expire or substantially all risks and rewards of the asset are transferred. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

At initial recognition, all financial liabilities are stated at fair value. Subsequent to initial recognition, all financial liabilities are stated at amortised cost using the effective interest rate method, except for derivatives which are held at fair value and which are classified as fair value through profit and loss, except where they qualify for hedge accounting. Financial assets are classified as either amortised cost or fair value through profit and loss depending on their cash flow characteristics. Assets with cash flows that solely represent payments of principal and interest are measured at amortised cost. The fair value of the Group's financial assets and liabilities held at amortised cost mostly approximate their carrying amount due to the short maturity of these instruments. Where the fair value of any financial asset or liability held at amortised cost is materially different to the book value, the fair value is disclosed.

The Group classifies its instruments in the following categories:

Financial instrument category	Note	Classification	Measurement	Fair value measurement hierarchy ²
Cash and cash equivalents	19	Amortised cost	Amortised cost	N/A
Cash and cash equivalents	19	Fair value through profit and loss	Fair value through profit and loss	2
Trade and other receivables	16	Amortised cost	Amortised cost	N/A
Trade and other payables	20	Other financial liabilities	Amortised cost	N/A
Borrowings	23	Other financial liabilities	Amortised cost	N/A
Leases	21	Lease liabilities	Amortised cost	N/A
Deferred consideration	20	Fair value through profit and loss	Fair value through profit and loss	3
Derivative contracts	18	Fair value through profit and loss	Fair value through profit and loss	2
Derivative contracts used for hedging ¹	18	Fair value – hedging instrument	Fair value – hedging instrument ³	2

1. Cash flow hedge and net investment hedge accounting is applied to the extent it is achievable.

2. The fair value measurement hierarchy is only applicable for financial instruments measured at fair value.

3. Derivative contracts used for hedging are classified as Fair value – hedging instruments under IFRS 9, however IAS 39 hedge accounting has been applied.

The measurements for financial instruments carried at fair value are categorised into different levels in the fair value hierarchy based on the inputs to the valuation technique used. The different levels are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: includes unobservable inputs for the asset or liability.

Observable inputs are those which are developed using market data, such as publicly available information about actual events or transactions. The Group has an established framework with respect to measurement of fair values, including Level 3 fair values.

The Group regularly reviews any significant inputs which are not derived from observable market data and considers, where available, relevant third-party information, to support the conclusion that such valuations meet the requirements of IFRS. The classification level in the fair value hierarchy is also considered periodically.

The fair value of those cash and cash equivalents measured at fair value through profit and loss, principally money market funds, is derived from their net asset value which is based on the value of the portfolio investment holdings at the balance sheet date. This is considered to be a Level 2 measurement.

The fair value of derivative contracts and trade and other receivables, principally cash-settled equity swaps, is based on a comparison of the contractual and market rates and, in the case of other derivative contracts, after discounting using the appropriate yield curve as at the balance sheet date. All Level 2 fair value measurements are calculated using inputs which are based on observable market data.

The fair value of the contingent payment component of deferred consideration is considered to be a Level 3 measurement and is derived using a present value calculation, incorporating observable and non-observable inputs. This valuation technique has been adopted as it most closely mirrors the contractual arrangement.

2. Accounting policies continued

o) Financial instruments continued

The Group's primary categories of financial instruments are listed below:

Cash and cash equivalents

Cash and short-term deposits on the Balance Sheet comprise cash at banks and in hand, cash in transit and short-term highly liquid deposits with a maturity of three months or less that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. Cash in transit largely comprises amounts receivable on credit cards where the transaction has been authorised, but the funds have yet to clear the bank. These balances are considered to be highly liquid, with minimal risk of default, and are typically received in less than three days. In the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts, which are recorded under current liabilities on the Balance Sheet.

While cash at bank and in hand and cash in transit are classified as amortised cost, some short-term deposits are classified as fair value through profit and loss.

Cash and cash equivalents held at amortised cost are subject to impairment testing at each period end.

Trade and other receivables

Trade and other receivables are included in current assets, except for maturities greater than 12 months after the balance sheet date. Most receivables are held with the objective to collect the contractual cash flows and are therefore initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for the expected credit losses on trade receivables is established at inception. Expected credit loss rates are calculated by reviewing lifetime expected credit losses using historic and forward-looking data. The amount of the movement in the provision is recognised in the Income Statement.

Trade and other payables

Trade and other payables are included in current liabilities, except for maturities greater than 12 months after the balance sheet date. Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and the difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings.

Deferred consideration

Deferred consideration is initially recognised at the present value of the expected future payments. It is subsequently remeasured at fair value at each reporting period with the change in fair value relating to changes in expected future payments recorded in the Income Statement as an operating expense or income. Changes in fair value relating to unwinding of discounting to present value are recorded as a financing expense.

Derivative instruments

The Group uses derivative financial instruments to hedge its exposure to fluctuations in foreign exchange and interest rates arising on certain operating and financing transactions.

Derivatives instruments are initially recognised at fair value at the trade date and are remeasured at their fair value at subsequent balance sheet dates. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Where derivatives do not qualify for hedge accounting, any gains or losses on remeasurement are recognised in the Income Statement as an operating expense or income.

On adoption of IFRS 9, the Group elected to continue to apply the hedge accounting guidance in IAS 39 Financial Instruments: Recognition and Measurement.

Fair value hedge accounting

Derivative instruments are classified as fair value hedges when they hedge the Group's exposure to changes in the fair value of a recognised asset or liability. Changes in fair value of the derivative instrument are recognised as part of the carrying value of the derivative instrument and in the Income Statement. Changes in fair value of the hedged item attributable to the hedged risk are recognised as part of the carrying value of the hedged item and in the Income Statement.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item is amortised to the Income Statement over the remaining period to maturity.

2. Accounting policies continued

o) Financial instruments continued

Derivative instruments continued

Cash flow hedge accounting

Derivative instruments are classified as cash flow hedges when they hedge the Group's exposure to changes in cash flows that are attributable to particular risk associated with a recognised asset or liability, an unrecognised firm commitment or a highly probable forecast transaction.

The effective portion of changes in the fair value relating to derivative instruments that are designated and qualify as cash flow hedges is deferred in other comprehensive income. The gain or loss relating to the ineffective portion of the gain or loss is recognised immediately in the Income Statement. Amounts deferred in other comprehensive income are recycled through the Income Statement in the periods when the hedged item affects the Income Statement. When a hedging instrument expires or is sold, the hedge relationship is terminated or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at the time remains in other comprehensive income and is recognised when the forecast transaction is ultimately recognised in the Income Statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Income Statement.

p) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in sterling which is the Company's functional and the Group's presentation currency.

Transactions in foreign currencies

Transactions denominated in foreign currencies within each entity in the Group are translated into the functional currency at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies which are held at the year end, are translated into the functional currency at the exchange rate ruling at the balance sheet date (closing rate). Exchange differences on monetary items are recognised in the Income Statement in the period in which they arise, except where these exchange differences form part of a net investment in overseas subsidiaries of the Group, in which case such differences are recognised in other comprehensive income.

Translation of the results of overseas businesses

The results of overseas subsidiaries are translated into the Group's presentation currency of sterling each month at the average exchange rate for the month, weighted according to the phasing of the Group's trading results. The average exchange rate is used, as it is considered to approximate the actual exchange rates on the date of the transactions. The assets and liabilities of such undertakings are translated at the closing rates. Differences arising on the retranslation of the opening net investment in subsidiary companies, and on the translation of their results, are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

The principal exchange rates used were as follows:

	Average rate		Closing rate	
	52 weeks to 28 March 2026	52 weeks to 29 March 2025	As at 28 March 2026	As at 29 March 2025
Euro	1.16	1.19	1.15	1.20
US Dollar	1.34	1.28	1.33	1.29
Chinese Yuan Renminbi	9.50	9.21	9.17	9.40
Hong Kong Dollar	10.47	9.98	10.38	10.07
South Korean Won	1,917	1,781	2,004	1,903
Japanese Yen	203	194	213	194

q) Adjusted profit before taxation

In order to provide additional understanding of the underlying performance of the Group's ongoing business, the Group's results include a presentation of adjusted operating profit and adjusted profit before taxation (adjusted PBT). Adjusted PBT is defined as profit before taxation and before adjusting items. Adjusting items are those items which, in the opinion of the Directors, should be excluded in order to provide a consistent and comparable view of the performance of the Group's ongoing business. Generally, this will include those items that are largely one-off and/or material in nature, such as restructuring charges, as well as income or expenses relating to acquisitions or disposals of businesses or other transactions of a similar nature, including the impact of changes in fair value of expected future payments or receipts relating to these transactions. Adjusting items are identified and presented on a consistent basis each year and a reconciliation of adjusted PBT to profit before taxation is included in the financial statements. Adjusting items and their related tax impacts, as well as adjusting taxation items, are added back to/deducted from profit attributable to owners of the Company to arrive at adjusted earnings per share. Refer to note 6 for further details on adjusting items and note 10 for details on adjusted earnings per share.

3. Segmental analysis

The Chief Operating Decision Maker has been identified as the Board of Directors. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on the reports used by the Board. The Board considers the Group's business through its two channels to market, being retail/wholesale and licensing.

Retail/wholesale revenues are generated by the sale of luxury goods through Burberry full price stores, concessions, outlets and digital commerce as well as Burberry franchisees, prestige department stores globally and multi-brand speciality accounts. The flow of global product between retail and wholesale channels and across our regions is monitored and optimised at a corporate level and implemented via the Group's inventory hubs and principal distribution centres situated in Europe, the USA, Mainland China and Hong Kong S.A.R., China.

Licensing revenues are generated through the receipt of royalties from global licensees of beauty products and eyewear and from licences relating to the use of non-Burberry trademarks in Japan.

The Board assesses channel performance based on a measure of adjusted operating profit. This measurement basis excludes the effects of adjusting items. The measure of earnings for each operating segment that is reviewed by the Board includes an allocation of corporate and central costs. Interest income and charges are not included in the result for each operating segment that is reviewed by the Board.

	Retail/Wholesale		Licensing		Total	
	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Retail	2,056	2,076	–	–	2,056	2,076
Wholesale	303	319	–	–	303	319
Licensing	–	–	62	67	62	67
Total segment revenue	2,359	2,395	62	67	2,421	2,462
Inter-segment revenue ¹	–	–	(1)	(1)	(1)	(1)
Revenue from external customers	2,359	2,395	61	66	2,420	2,461
Depreciation and amortisation ²	(375)	(413)	–	–	(375)	(413)
Impairment charge of intangible assets	(4)	(4)	–	–	(4)	(4)
Net impairment charge of property, plant and equipment	(3)	(10)	–	–	(3)	(10)
Net impairment charge of right-of-use assets ³	(7)	(32)	–	–	(7)	(32)
Net movement in inventory provisions	(10)	(44)	–	–	(10)	(44)
Other non-cash items:						
Share-based payments	(21)	(18)	–	–	(21)	(18)
Adjusted operating profit/(loss)	103	(36)	57	62	160	26
Adjusting items ⁴					(45)	(29)
Operating profit/(loss)					115	(3)
Finance income					23	25
Finance expense					(89)	(88)
Profit/(loss) before taxation					49	(66)

1. Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would be available to unrelated third parties.
2. For the 52 weeks to 29 March 2025, depreciation of right-of-use assets was presented including a charge of £1 million arising as a result of the Group's restructuring programme, which was presented as an adjusting item (refer to note 6).
3. For the 52 weeks to 29 March 2025, impairment charge of right-of-use assets was presented including £1 million in relation to non-retail right-of-use assets arising as a result of the Group's restructuring programme, which was presented as an adjusting item (refer to note 6).
4. Adjusting items relate to the Retail/Wholesale segment. Refer to note 6 for details of adjusting items.

	Retail/Wholesale		Licensing		Total	
	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Additions to non-current assets	155	217	–	–	155	217
Total segment assets	1,964	2,164	13	8	1,977	2,172
Goodwill					115	114
Cash and cash equivalents					671	813
Taxation					328	328
Total assets per Balance Sheet					3,091	3,427

3. Segmental analysis continued

Additional revenue analysis

All revenue is derived from contracts with customers. The Group derives retail and wholesale revenue from contracts with customers from the transfer of goods and related services at a point in time. Licensing revenue is derived over the period the licence agreement gives the customer access to the Group's trademarks.

Revenue by product	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Accessories	837	841
Womenswear	728	718
Menswear	701	732
Childrenswear and other	93	104
Retail/Wholesale	2,359	2,395
Licensing	61	66
Total	2,420	2,461

Revenue by destination	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
EMEIA ¹	821	842
Greater China ^{2,3}	670	662
Americas	505	510
Asia Pacific ^{2,4}	363	381
Retail/Wholesale	2,359	2,395
Licensing	61	66
Total	2,420	2,461

1. EMEIA comprises Europe, Middle East, India and Africa.

2. Commencing 30 March 2025, the former Asia Pacific region was restructured into two regions, Asia Pacific and Greater China. The revenue by destination for the comparative periods has been restated to reflect the new regional structure. For the 52 weeks to 29 March 2025, revenue attributable to Asia Pacific decreased by £662 million with that revenue now attributable to Greater China.

3. Greater China consists of Mainland China; Hong Kong S.A.R., China; Macau S.A.R., China; and Taiwan Area, China.

4. Asia Pacific consists of the rest of Asia; including Japan, South Korea, Southeast Asia, Australia and New Zealand.

Entity-wide disclosures

Revenue derived from external customers in the UK totalled £203 million for the 52 weeks to 28 March 2026 (last year: £208 million).

Revenue derived from external customers in foreign countries totalled £2,217 million for the 52 weeks to 28 March 2026 (last year: £2,253 million). This amount includes £437 million of external revenues derived from customers in the USA (last year: £447 million) and £547 million of external revenues derived from customers in Mainland China (last year: £534 million).

The total of non-current assets, other than financial instruments, and deferred tax assets located in the UK is £396 million (last year: £458 million). The remaining £925 million of non-current assets are located in other countries (last year: £1,041 million), with £295 million located in the USA (last year: £330 million) and £148 million located in Mainland China (last year: £173 million).

4. Net operating expenses

	Note	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Other operating income		(11)	(23)
Selling and distribution costs		1,127	1,172
Administrative expenses		367	363
		1,483	1,512
Adjusting operating expenses	6	45	29
		45	29
Net operating expenses		1,528	1,541

5. Profit before taxation

	Note	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Profit before taxation is stated after charging/(crediting):			
Depreciation of property, plant and equipment			
Within cost of sales		2	2
Within selling and distribution costs		91	93
Within administrative expenses		18	17
Depreciation of right-of-use assets			
Within cost of sales		1	1
Within selling and distribution costs ¹		207	225
Within administrative expenses		12	21
Amortisation of intangible assets			
Within selling and distribution costs		–	1
Within administrative expenses		44	53
Net movement in inventory provisions within cost of sales	17	10	44
Gain on modification of right-of-use assets		(1)	(15)
Loss on disposal of property, plant and equipment		1	–
Net impairment charge of property, plant and equipment	13	3	10
Net impairment charge of right-of-use assets ²	14	7	32
Impairment charge of intangible assets	12	4	4
Employee costs ³	27	587	576
Other lease expense			
Property lease variable lease expense	21	99	92
Property lease in holdover expense	21	12	8
Non-property short-term lease expense	21	6	9
Net exchange (gain)/loss on revaluation of monetary assets and liabilities		(10)	16
Net gain on derivatives – fair value through profit and loss		–	(21)
Receivables impairment charge		7	2

- For the 52 weeks to 29 March 2025, depreciation of right-of-use assets was presented including a charge of £1 million arising as a result of the Group's restructuring programme, which was presented as an adjusting item (refer to note 6).
- For the 52 weeks to 29 March 2025, impairment charge of right-of-use assets was presented including £1 million in relation to non-retail right-of-use assets arising as a result of the Group's restructuring programme, which was presented as an adjusting item (refer to note 6).
- Employee costs for the 52 weeks to 28 March 2026 are presented including a charge of £33 million arising as a result of the Group's restructuring programme (last year: £16 million), which is presented as an adjusting item (refer to note 6).

6. Adjusting items

	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Total adjusting operating items	45	29
Tax on adjusting items	(11)	(7)
Total adjusting items (post-tax)	34	22

Restructuring costs

During the 52 weeks to 28 March 2026, restructuring costs of £45 million (last year: £29 million) were incurred, arising as a result of the Burberry Forward transformation programme initiated during the prior year and expected to conclude in FY 2026/27. The costs, principally related to redundancies and consultancy costs, were recorded in operating expenses. These costs are presented as an adjusting item, in accordance with the Group's accounting policy, as the anticipated cost of the restructuring programme is considered material and discrete in nature. A related tax credit of £11 million (last year: £7 million) has also been recognised in the current year. The cumulative costs, which are largely cash costs, related to the Burberry Forward transformation programme are expected to total £80 million.

7. Auditor remuneration

Fees incurred during the year in relation to audit and non-audit services are analysed below:

	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Audit services in respect of the financial statements of the Company and consolidation	0.5	0.5
Audit services in respect of the financial statements of subsidiary companies	3.2	3.0
Audit-related assurance services	0.3	0.2
Other non-audit-related services	0.1	0.3
Total	4.1	4.0

8. Financing

	Note	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Finance income – amortised cost		7	12
Finance income – fair value through profit and loss		16	13
Finance income		23	25
Finance expense on lease liabilities	21	(47)	(49)
Finance expense on overdrafts		(2)	(7)
Interest expense on borrowings		(33)	(25)
Other finance expense		(5)	(5)
Bank charges		(2)	(2)
Finance expense		(89)	(88)
Net finance expense		(66)	(63)

9. Taxation

Analysis of charge for the year recognised in the Group Income Statement:

	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Current tax		
UK corporation tax		
Current tax on income for the 52 weeks to 28 March 2026 at 25% (last year: 25%)	(1)	4
Double taxation relief	–	–
Adjustments in respect of prior years ¹	1	(7)
	–	(3)
Foreign tax		
Current tax on income for the year	22	26
Adjustments in respect of prior years ¹	16	15
	38	41
Total current tax	38	38
Deferred tax		
UK deferred tax		
Origination and reversal of temporary differences	(43)	(2)
Adjustments in respect of prior years ¹	(3)	2
	(46)	–
Foreign deferred tax		
Origination and reversal of temporary differences	35	(31)
Adjustments in respect of prior years ¹	2	2
	37	(29)
Total deferred tax	(9)	(29)
Total tax charge on profit	29	9

1. Adjustments in respect of prior years relate mainly to adjustments to estimates of prior period tax liabilities, outcomes of historical tax audits and tax accruals.

Analysis of charge for the year recognised in other comprehensive income and directly in equity:

	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Current tax		
Recognised in other comprehensive income:		
Current tax credit on exchange differences on loans (foreign currency translation reserve)	–	–
Total current tax recognised in other comprehensive income	–	–
Deferred tax		
Recognised in equity:		
Deferred tax charge on share options (retained earnings)	(1)	–
Total deferred tax recognised directly in equity	(1)	–

9. Taxation continued

The tax rate applicable on profit varied from the standard rate of corporation tax in the UK due to the following factors:

	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Profit/(loss) before taxation	49	(66)
Tax at 25% (last year: 25%) on profit before taxation	12	(16)
Rate adjustments relating to overseas profits	1	(1)
Permanent differences	3	8
Tax on dividends not creditable	2	–
Share schemes	(2)	–
Current year tax losses not recognised	–	6
Prior year temporary differences and tax losses recognised	(2)	–
Adjustments in respect of prior years	15	12
Total taxation charge	29	9

Total taxation recognised in the Group Income Statement arises on the following items:

	Note	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Tax on adjusted profit/(loss) before taxation		40	16
Tax on adjusting items	6	(11)	(7)
Total taxation charge		29	9

Factors affecting future tax charges

Uncertain tax positions

The Group operates in numerous tax jurisdictions around the world and is subject to factors that may affect future tax charges including transfer pricing, tax rate changes, tax legislation changes, tax authority interpretation, expiry of statutes of limitation, tax litigation, and resolution of tax audits and disputes.

At any given time, the Group has open years outstanding in various countries and is involved in tax audits and disputes, some of which may take several years to resolve. Provisions are based on best estimates and management's judgements concerning the likely ultimate outcome of any audit or dispute. Management considers the specific circumstances of each tax position and takes external advice, where appropriate, to assess the range of potential outcomes and estimate additional tax that may be due.

At 28 March 2026 the Group recognised provisions of £76 million in respect of uncertain tax positions (last year: £107 million), being provisions of £87 million net of expected reimbursements of £11 million (last year: £128 million net of expected reimbursements of £21 million). The majority of these provisions relate to the tax impact of intra-group transactions between the UK and the various jurisdictions in which the Group operates, as would be expected for a group operating internationally.

The Group believes that it has made adequate provision in respect of additional tax liabilities that may arise from open years, tax audits and disputes. However, the actual liability for any particular issue may be higher or lower than the amount provided, resulting in a negative or positive effect on the tax charge in any given year. A reduction in the tax charge may also arise for other reasons such as an expiry of the relevant statute of limitations. Depending on the final outcome of tax audits which are currently in progress, statute of limitations expiry, and other factors, an impact on the tax charge could arise. The tax impact of intra-group transactions is a complex area and resolution of matters can take many years. Given the inherent uncertainty, it is difficult to predict the timing of when these matters will be resolved and the quantum of the ultimate resolution.

In the 52 weeks to 28 March 2026, uncertain positions on the majority of material audits have been agreed in principle with tax authorities in line with the provided position, as such, the level of uncertainty in this area is significantly reduced. The majority of exposures relate to transfer pricing and double taxation of cross border payments between the UK and other territories, in respect of which the Group intends to apply for relief via Mutual Agreement Procedures. These processes are complex and can take several years to resolve, and on this basis, the Group does not recognise the value of potential credits for double tax relief in full until outcomes are more certain.

Legislative changes

The OECD Pillar Two GloBE Rules introduce a global minimum corporate tax rate of 15% applicable to multinational enterprise groups with global revenue over €750 million. All participating OECD members are required to incorporate these rules into national legislation. The Group is subject to the Pillar Two Model Rules from FY 2024/25 onwards but does not meet the threshold for application of the Pillar One transfer pricing rules. The Group applies the temporary exception from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

9. Taxation continued

Factors affecting future tax charges continued

Legislative changes continued

UK legislation in relation to Pillar Two was substantively enacted on 20 June 2023 and applies to the Group for the reporting period beginning 31 March 2024. The Group has performed an analysis of the potential exposure to Pillar Two income taxes. The analysis of the potential exposure to Pillar Two income taxes is based on the most recently submitted Country by Country Reporting available for the constituent entities in the Group (for the 52 weeks to 29 March 2025). Based on the analysis, the transitional safe harbour relief should apply in respect of most jurisdictions in which the Group operates. Although there are a number of jurisdictions where the transitional safe harbour relief may not apply, the Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

10. Earnings per share

The calculation of basic earnings per share is based on profit or loss attributable to owners of the Company for the year divided by the weighted average number of ordinary shares in issue during the year. Basic and diluted earnings per share based on adjusted profit before taxation are also disclosed to indicate the underlying profitability of the Group.

	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Attributable profit/(loss) for the year before adjusting items ¹	55	(53)
Effect of adjusting items (after taxation) ¹	(34)	(22)
Attributable profit/(loss) for the year	21	(75)

1. Refer to note 6 for details of adjusting items.

The weighted average number of ordinary shares represents the weighted average number of Burberry Group plc ordinary shares in issue throughout the year, excluding ordinary shares held in the Group's ESOP trusts and treasury shares held by the Company or its subsidiaries.

Diluted earnings per share is based on the weighted average number of ordinary shares in issue during the year. In addition, account is taken of any options and awards made under the employee share incentive schemes, which will have a dilutive effect when exercised. Refer to note 27 for additional information on the terms and conditions of the employee share incentive schemes.

	52 weeks to 28 March 2026 Millions	52 weeks to 29 March 2025 Millions
Weighted average number of ordinary shares in issue during the year	358.3	357.5
Dilutive effect of the employee share incentive schemes ¹	2.0	0.9
Diluted weighted average number of ordinary shares in issue during the year¹	360.3	358.4

	52 weeks to 28 March 2026 Pence	52 weeks to 29 March 2025 Pence
Earnings/(loss) per share		
Basic	5.9	(20.9)
Diluted ¹	5.9	(20.9)
Adjusted earnings/(loss) per share		
Basic	15.3	(14.8)
Diluted ¹	15.2	(14.8)

1. For the 52 weeks to 29 March 2025, the effect of employee share incentive schemes is antidilutive and therefore not included in the calculation of diluted loss per share for the year.

11. Dividends paid to owners of the Company

	52 weeks to 28 March 2026 £m	52 weeks to 30 March 2025 £m
Prior year final dividend paid £nil per share (last year: 42.7p)	–	152
Interim dividend paid £nil per share (last year: £nil)	–	–
Total	–	152

The Directors have elected not to declare an interim or final dividend in respect of the 52 weeks to 28 March 2026 (last year: £nil).

No dividends were paid during the 52 weeks to 28 March 2026 in relation to the 52 weeks to 29 March 2025. A dividend of 42.7p per share was paid during the 52 weeks to 29 March 2025 in relation to the 52 weeks to 30 March 2024.

12. Intangible assets

Cost	Goodwill £m	Trademarks, licences and other intangible assets £m	Computer software £m	Intangible assets in the course of construction £m	Total £m
As at 30 March 2024	125	16	279	61	481
Effect of foreign exchange rate changes	(5)	–	(1)	–	(6)
Additions	–	–	2	22	24
Disposals	–	(1)	(28)	–	(29)
Reclassifications from assets in the course of construction	–	–	61	(61)	–
As at 29 March 2025	120	15	313	22	470
Effect of foreign exchange rate changes	1	–	–	–	1
Additions	–	–	4	28	32
Disposals	–	–	(18)	–	(18)
Reclassifications from assets in the course of construction	–	–	21	(21)	–
As at 28 March 2026	121	15	320	29	485
Accumulated amortisation and impairment					
As at 30 March 2024	6	9	199	–	214
Effect of foreign exchange rate changes	–	–	(2)	–	(2)
Charge for the year	–	1	53	–	54
Disposals	–	(1)	(28)	–	(29)
Impairment charge on assets	–	–	4	–	4
As at 29 March 2025	6	9	226	–	241
Effect of foreign exchange rate changes	–	–	–	–	–
Charge for the year	–	1	43	–	44
Disposals	–	–	(18)	–	(18)
Impairment charge on assets	–	–	4	–	4
As at 28 March 2026	6	10	255	–	271
Net book value					
As at 28 March 2026	115	5	65	29	214
As at 29 March 2025	114	6	87	22	229

Impairment testing of goodwill

The carrying value of the goodwill allocated to cash generating units:

	As at 28 March 2026 £m	As at 29 March 2025 £m
Mainland China	46	45
South Korea	21	22
Retail and Wholesale segment ¹	35	34
Other	13	13
Total	115	114

1. Goodwill which arose on acquisitions of Burberry Manifattura S.R.L. and Burberry Tecnica S.R.L. has been allocated to the group of cash generating units which make up the Group's Retail and Wholesale operating segment cash generating unit. This reflects the lowest level at which the goodwill is being monitored by management.

The Group tests goodwill for impairment annually or when there is an indication that goodwill might be impaired. The recoverable amount of all cash generating units has been determined on a value-in-use basis. Value-in-use calculations for each cash generating unit are based on projected pre-tax discounted cash flows together with a discounted terminal value. The cash flows have been discounted at pre-tax rates reflecting the Group's weighted average cost of capital adjusted for country-specific tax rates and risks. Where the cash generating unit has a non-controlling interest which was recognised at a value equal to its proportionate interest in the net identifiable assets of the acquired subsidiary at the acquisition date, the carrying amount of the goodwill has been grossed up to include the goodwill attributable to the non-controlling interest, for the purpose of impairment testing the goodwill attributable to the cash generating unit. The key assumptions contained in the value-in-use calculations include the future revenues, the operating profit margins achieved and the discount rates applied.

The value-in-use calculations have been prepared using management's cost and revenue projections for the next three years to 31 March 2029 and a longer-term growth rate of 5% to 29 March 2031 (last year: 5% to 30 March 2030). A terminal value has been included in the value-in-use calculation based on the cash flows for the year ending 29 March 2031, incorporating the assumption that growth beyond 29 March 2031 is equivalent to nominal inflation rates, assumed to be 2% (last year: 2% beyond 30 March 2030), which are not significant to the assessment.

The value-in-use estimates indicated that the recoverable amount of the cash generating unit exceeded the carrying value for each of the cash generating units. As a result, no impairment has been recognised in respect of the carrying value of goodwill in the year.

12. Intangible assets continued

Impairment testing of goodwill continued

For the material goodwill balances of Mainland China, South Korea and the Retail and Wholesale segment, management has considered the potential impact of reasonably possible changes in assumptions on the recoverable amount of goodwill. The sensitivities include applying a 10% reduction in revenue and gross profit and the associated impact on operating profit margin from management's base cash flow projections, considering the macroeconomic and political uncertainty risk on the Group's retail operations and on the global economy. Under this scenario, the estimated recoverable amount of goodwill in Mainland China, South Korea and the Retail and Wholesale segment still exceeded the carrying value.

The pre-tax discount rates for Mainland China, South Korea and the Retail and Wholesale segment were 12%, 12% and 12% respectively (last year: Mainland China 12%, South Korea 11%, and the Retail and Wholesale segment 12%). No reasonably possible change in these pre-tax discount rates would result in the carrying value exceeding the estimated recoverable amount of goodwill.

The other goodwill balance of £13 million (last year: £13 million) consists of amounts relating to eight cash generating units, none of which have goodwill balances individually exceeding £6 million as at 28 March 2026 (last year: £6 million).

13. Property, plant and equipment

Cost	Freehold land and buildings £m	Leasehold improvements £m	Fixtures, fittings and equipment £m	Assets in the course of construction £m	Total £m
As at 30 March 2024	91	631	358	49	1,129
Effect of foreign exchange rate changes	(2)	(18)	(9)	(1)	(30)
Additions	2	86	15	20	123
Disposals	–	(36)	(23)	–	(59)
Reclassifications from assets in the course of construction	–	26	21	(47)	–
As at 29 March 2025	91	689	362	21	1,163
Effect of foreign exchange rate changes	(2)	(3)	(3)	–	(8)
Additions	1	31	13	30	75
Disposals	–	(49)	(29)	(1)	(79)
Reclassifications from assets in the course of construction	2	5	10	(17)	–
As at 28 March 2026	92	673	353	33	1,151
Accumulated depreciation and impairment					
As at 30 March 2024	48	394	281	–	723
Effect of foreign exchange rate changes	(2)	(12)	(7)	–	(21)
Charge for the year	2	77	33	–	112
Disposals	–	(36)	(23)	–	(59)
Impairment charge on assets	–	8	2	–	10
As at 29 March 2025	48	431	286	–	765
Effect of foreign exchange rate changes	(1)	(1)	(3)	–	(5)
Charge for the year	2	74	35	–	111
Disposals	–	(49)	(29)	–	(78)
Impairment charge on assets	–	3	1	–	4
Impairment reversal on assets	–	(1)	–	–	(1)
As at 28 March 2026	49	457	290	–	796
Net book value					
As at 28 March 2026	43	216	63	33	355
As at 29 March 2025	43	258	76	21	398

13. Property, plant and equipment continued

During the 52 weeks to 28 March 2026, management carried out a review of retail cash generating units comprising right-of-use asset and property, plant and equipment, for any indication of impairment charges or reversals of impairments previously recorded. Where indications of impairment charges or reversals were identified, the impairment review compared the value-in-use of the cash generating units to their net book values at 28 March 2026. The pre-tax cash flow projections used for this review were based on financial plans of expected revenues and costs of each retail cash generating unit, approved by management, reflecting their latest plans over the next three years to 31 March 2029. For the remainder of the asset life, the cash flows assume industry growth rates of 5% (last year: 5%) and cost inflation rates appropriate to each store's location. The pre-tax discount rates used in these calculations were between 8.7% and 13.6% (last year: between 10.5% and 12.8%) based on the Group's weighted average cost of capital adjusted for country-specific borrowing costs, tax rates and risks for those countries in which a charge was incurred. Where indicators of impairment have been identified and the value-in-use was less than the carrying value of the cash generating unit, an impairment of property, plant and equipment and right-of-use asset was recorded.

During the 52 weeks to 28 March 2026, a net charge of £10 million (last year: £42 million) was recorded within net operating expenses as a result of the annual review of impairment for retail store assets related to trading impacts. The net charge consists of £3 million (last year: £10 million) recorded against property, plant and equipment and £7 million (last year: £32 million) recorded against right-of-use assets. Refer to note 14 for further details of right-of-use assets.

The net impairment charge recorded in property, plant and equipment related to 15 retail cash generating units (last year: 17 retail cash generating units) for which the total recoverable amount at the balance sheet date is £12 million (last year: £17 million).

Management has considered the potential impact of changes in assumptions on the impairment recorded against the Group's retail assets. Given the macroeconomic and political uncertainty risk on the Group's retail operations and on the global economy, management has considered sensitivities to the impairment charge as a result of changes to the estimate of future revenues achieved by the retail stores. The sensitivities applied are an increase or decrease in revenue of 10% from the estimate used to determine the impairment charge or reversal. It is estimated that a 10% decrease/increase in revenue assumptions for the 52 weeks to 27 March 2027, with no change to subsequent forecast revenue growth rate assumptions, would result in a £14 million increase/£9 million decrease in the impairment charge of retail store assets in the 52 weeks to 28 March 2026 (last year: £11 million increase/£18 million decrease).

14. Right-of-use assets

Net book value	Property right-of-use assets £m	Non-property right-of-use assets £m	Total right-of-use assets £m
As at 30 March 2024	1,013	–	1,013
Effect of foreign exchange rate changes	(17)	–	(17)
Additions	65	5	70
Remeasurements	80	–	80
Depreciation for the year	(244)	(3)	(247)
Impairment charge on right-of-use assets	(32)	–	(32)
As at 29 March 2025	865	2	867
Effect of foreign exchange rate changes	2	–	2
Additions	48	–	48
Remeasurements	58	–	58
Depreciation for the year	(218)	(2)	(220)
Impairment charge on right-of-use assets	(11)	–	(11)
Impairment reversal on right-of-use assets	4	–	4
As at 28 March 2026	748	–	748

As a result of the assessment of retail cash generating units for impairment, a net impairment charge of £7 million (last year: £31 million) was recorded for impairment of right-of-use assets related to trading impacts. Refer to note 13 for further details of impairment assessment of retail cash generating units.

The net impairment charge recorded in right-of-use assets relates to 15 retail cash generating units (last year: 18 retail cash generating units) for which the total recoverable amount at the balance sheet date is £40 million (last year: £53 million).

In the 52 weeks to 29 March 2025, an impairment charge of £1 million was recognised in relation to non-retail right-of-use assets arising as a result of the Group's restructuring programme and was presented as an adjusting item (refer to note 6). As a result, the total impairment charge for right-of-use assets in the 52 weeks to 29 March 2025 was £32 million.

15. Deferred taxation

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and there is an intention to settle on a net basis, and to the same fiscal authority. The assets and liabilities presented in the Balance Sheet, after offset, are shown in the table below:

	As at 28 March 2026 £m	As at 29 March 2025 £m
Deferred tax assets	245	233
Deferred tax liabilities	–	(1)
Net amount	245	232

	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
The movement in the deferred tax account is as follows:		
At start of year	232	207
Effect of foreign exchange rate changes	3	(4)
Credited to the Income Statement	9	29
Charged to equity	1	–
At end of year	245	232

The movement in the net deferred tax balances during the year is as follows:

	Capital allowances £m	Unrealised inventory profit and other inventory provisions £m	Share schemes £m	Unused tax losses £m	Leases £m	Other ¹ £m	Total £m
As at 30 March 2024	2	124	3	29	35	14	207
Effect of foreign exchange rate changes	–	2	–	(6)	–	–	(4)
Credited/(charged) to the Income Statement	5	(15)	–	42	4	(7)	29
As at 29 March 2025	7	111	3	65	39	7	232
Effect of foreign exchange rate changes	–	–	–	2	–	1	3
Credited/(charged) to the Income Statement	2	(26)	3	20	(4)	14	9
Credited to equity	–	–	1	–	–	–	1
As at 28 March 2026	9	85	7	87	35	22	245

1. Deferred balances within Other relate largely to temporary differences arising on other provisions and accruals.

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related benefit through future taxable profits is probable. The Group did not recognise deferred tax assets of £52 million (last year: £50 million) in respect of losses and temporary timing differences amounting to £219 million (last year: £210 million) that can be set off against future taxable income. There is a time limit for the recovery of £4 million of these potential assets (last year: £3 million) which ranges from one to 10 years (last year: one to 10 years).

The Group has recognised a deferred tax asset of £73 million (last year: £92 million) (not including profit in stock consolidation adjustments) in Mainland China, of which £47 million (last year: £60 million) has arisen due to losses in FY 2022/2023, FY 2023/2024 and FY 2024/2025. Group financial forecasts indicate that the subsidiary in Mainland China is expected to generate future taxable profits which will enable the deferred tax asset to be utilised in full.

The Group has recognised a deferred tax asset of £37 million in relation to losses arising in the UK. Group financial forecasts indicate the subsidiary in the UK is expected to generate future taxable profits which will enable the deferred tax asset to be utilised in full.

For jurisdictions where tax deductions do not follow IFRS 16 accounting, the Group recognises a deferred tax asset on the lease liability and a separate deferred tax liability on the right-of-use asset. The Group applies jurisdictional netting and the net position is included in the "Leases" column above.

Included within other temporary differences above is a deferred tax liability of £nil (last year: £1 million) relating to unremitted overseas earnings. No deferred tax liability is provided in respect of any future remittance of earnings of foreign subsidiaries where the Group is able to control the remittance of earnings and it is probable that such earnings will not be remitted in the foreseeable future, or where no liability would arise on the remittance. The aggregate amount of unremitted earnings in respect of which no deferred tax liability has been provided is £160 million (last year: £126 million).

16. Trade and other receivables

	As at 28 March 2026 £m	As at 29 March 2025 £m
Non-current		
Other financial receivables ¹	44	43
Prepayments	4	5
Total non-current trade and other receivables	48	48
Current		
Trade receivables	151	141
Provision for expected credit losses	(18)	(11)
Net trade receivables	133	130
Other financial receivables ¹	24	32
Other non-financial receivables ²	108	104
Prepayments	43	28
Accrued income	15	15
Total current trade and other receivables	323	309
Total trade and other receivables	371	357

1. Other financial receivables relates to rental deposits and other sundry debtors.

2. Other non-financial receivables relates to indirect taxes and other taxes and duties.

Included in total trade and other receivables are non-financial assets of £155 million (last year: £137 million).

The Group's impairment policies and the calculation of any allowances for credit losses are detailed in note 26 in the credit risk section.

17. Inventories

	As at 28 March 2026 £m	As at 29 March 2025 £m
Raw materials	28	26
Work in progress	2	1
Finished goods	371	397
Total inventories	401	424

	As at 28 March 2026 £m	As at 29 March 2025 £m
Total inventories, gross	468	527
Provisions	(67)	(103)
Total inventories, net	401	424

Inventory provisions of £67 million (last year: £103 million) are recorded, representing 14.3% (last year: 19.6%) of the gross value of inventory. The provisions reflect management's best estimate of the net realisable value of inventory, where this is considered to be lower than the cost of the inventory.

The cost of inventories recognised as an expense and included in cost of sales amounted to £742 million (last year: £887 million).

Taking into account factors impacting the inventory provisioning including the proportion of inventory sold through loss making channels being higher or lower than expected, management considers that a reasonable potential range of outcomes could result in an increase in inventory provisions of £11 million or a decrease in inventory provisions of £13 million in the next 12 months. This would result in a potential range of inventory provisions of 12% to 17% as a percentage of the gross value of inventory as at 28 March 2026.

The net movement in inventory provisions included in cost of sales for the 52 weeks to 28 March 2026 was a charge of £10 million (last year: £44 million). The total reversal of inventory provisions during the current year, which is included in the net movement, was £9 million (last year: £8 million).

18. Derivative financial instruments

Master netting arrangements

The Group's derivative contracts are entered into under International Swaps and Derivatives Association (ISDA) master netting arrangements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single amount that is payable by one party to the other. In certain circumstances, such as when a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions. The ISDA agreements do not meet the criteria for offsetting in the Balance Sheet as the Group's right to offset is enforceable only on the occurrence of future events such as default. The Group has amended the ISDA agreement with two banks to require it to net settle its forward foreign exchange contracts. The effect of netting the derivatives subject to net settlement agreements and offset on the Balance Sheet at 28 March 2026 was £nil (last year: £nil). The Group's Balance Sheet would not be materially different if it had offset its forward foreign exchange contracts, interest rate swaps and equity swap contracts subject to the standard ISDA agreements.

Derivative financial assets and liabilities

The fair value and notional amounts of derivatives analysed by hedge type are as follows:

	As at 28 March 2026				As at 29 March 2025			
	Asset		Liability		Asset		Liability	
	Fair value £m	Notional value £m	Fair value £m	Notional value £m	Fair value £m	Notional value £m	Fair value £m	Notional value £m
Forward foreign exchange contracts								
– cash flow hedges	–	–	–	34	–	45	(1)	110
Forward foreign exchange contracts								
– fair value through profit and loss ¹	3	293	(8)	512	10	473	–	52
Equity swap contracts – fair value through								
profit and loss	–	–	(1)	4	1	2	–	–
Interest rate swaps – fair value hedging								
instrument ²	–	–	(6)	450	–	–	(3)	450
Total position	3	293	(15)	1,000	11	520	(4)	612
Comprising:								
Total current position	3	293	(10)	550	11	520	(1)	162
Total non-current position	–	–	(5)	450	–	–	(3)	450

- Forward foreign exchange contracts classified as fair value through profit and loss are used for cash management and hedging monetary assets and liabilities. At 28 March 2026, all such contracts had maturities of no greater than 4 months from the balance sheet date (last year: no greater than 10 months from the balance sheet date).
- The Group has entered into interest rate swaps to reduce the level of fixed rate debt in accordance with the Group Treasury Policy, and has entered the swaps into fair value hedge relationships with the £450 million medium term note (MTN) Fixed rate bond.

Effect of hedge accounting on the financial position and performance

The impact of the hedging instruments on the Group's financial position and performance is as follows:

As at 28 March 2026	Carrying amount £m	Notional amount £m	Maturity date	Change in fair value used for measuring ineffectiveness for the period
				£m
Foreign currency forwards (assets)	–	–	–	–
Foreign currency forwards (liabilities)	–	34	May 2026 – Aug 2026	–
Interest rate swaps (assets)	–	–	–	–
Interest rate swaps (liabilities)	(6)	450	Jun 2030	(4)
As at 29 March 2025	Carrying amount £m	Notional amount £m	Maturity date	Change in fair value used for measuring ineffectiveness for the period
				£m
Foreign currency forwards (assets)	–	45	Jun 2025 – Jan 2026	–
Foreign currency forwards (liabilities)	(1)	110	Jun 2025 – Oct 2025	1
Interest rate swaps (assets)	–	–	–	–
Interest rate swaps (liabilities)	(3)	450	Jun 2030	(3)

18. Derivative financial instruments continued

The impact of the fair value hedged item on the Balance Sheet is as follows:

	As at 28 March 2026			As at 29 March 2025		
	Carrying amount £m	Accumulated fair value adjustments £m	Change in value of hedged item used to determine hedge ineffectiveness £m	Carrying amount £m	Accumulated fair value adjustments £m	Change in value of hedged item used to determine hedge ineffectiveness £m
5.75% £450m MTN Fixed rate bond	436	5	(6)	438	(2)	(1)

The change in value of the cash flow hedges used to determine hedge ineffectiveness as at 28 March 2026 is £nil (last year: £1 million).

The foreign currency forwards are denominated in the same currency as the highly probable future inventory purchases (EUR), therefore the hedge ratio is 1:1. The weighted average hedged rate of outstanding contracts (including forward points) in EUR was 1.1310 (last year: 1.1893).

The terms of the interest rate swap contracts match the terms of the borrowings including notional amounts and maturity, interest settlement and interest rate reset dates, therefore the Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the derivative contract is identical to that of the hedged item.

The contractual maturity profile of non-current financial liabilities is shown in note 26. For further details of cash flow hedging, refer to note 26 in the market risk section.

19. Cash and cash equivalents

	As at 28 March 2026 £m	As at 29 March 2025 £m
Cash and cash equivalents held at amortised cost		
Cash at bank and in hand and cash in transit	153	174
Short-term deposits	134	132
	287	306
Cash and cash equivalents held at fair value through profit and loss		
Short-term deposits	384	507
Total	671	813

Cash and cash equivalents classified as fair value through profit and loss relate to deposits held in low volatility net asset value money market funds. The cash is available immediately and, since the funds are managed to achieve low volatility, no significant change in value is anticipated. The funds are monitored to ensure there are no significant changes in value.

As at 28 March 2026 and 29 March 2025, no impairment losses were identified on cash and cash equivalents held at amortised cost.

As at 28 March 2026, cash in transit is £18 million (last year: £20 million).

20. Trade and other payables

	As at 28 March 2026 £m	As at 29 March 2025 £m
Non-current		
Other payables ¹	3	3
Deferred income and non-financial accruals	7	8
Contract liabilities	38	43
Total non-current trade and other payables	48	54
Current		
Trade payables	164	146
Other taxes and social security costs	61	46
Other payables ¹	44	31
Accruals	172	160
Deferred income and non-financial accruals	7	8
Contract liabilities	11	11
Deferred consideration ²	3	3
Total current trade and other payables	462	405
Total trade and other payables	510	459

1. Other payables primarily relates to interest.

2. Deferred consideration relates to the acquisition of the economic right to the non-controlling interest in Burberry Middle East LLC on 22 April 2016. In the 52 weeks to 28 March 2026, no payments were made in relation to Burberry Middle East LLC (last year: £2 million). Contingent payments of £3 million remain outstanding at 28 March 2026 (last year: £3 million), which will be paid once all required documentation is complete.

Included in total trade and other payables are non-financial liabilities of £124 million (last year: £116 million).

Contract liabilities

Retail contract liabilities relate to unredeemed balances on issued gift cards and similar products, and advanced payments received for sales which have not yet been delivered to the customer. Licensing contract liabilities relate to deferred revenue arising from the upfront payment for the Beauty licence which is being recognised in revenue over the term of the licence on a straight-line basis reflecting access to the trademark over the licence period to 2032.

	As at 28 March 2026 £m	As at 29 March 2025 £m
Retail contract liabilities	5	4
Licensing contract liabilities	44	50
Total contract liabilities	49	54

The amount of revenue recognised in the year relating to contract liabilities at the start of the year is set out in the following table. All revenue in the year relates to performance obligations satisfied in the year. All contract liabilities at the end of the year relate to unsatisfied performance obligations.

	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Retail revenue relating to contract liabilities	2	2
Deferred revenue from Beauty licence	6	7
Revenue recognised that was included in contract liabilities at the start of the year	8	9

21. Lease liabilities

	Property lease liabilities £m	Non-property lease liabilities £m	Total lease liabilities £m
Balance as at 30 March 2024	1,188	–	1,188
Effect of foreign exchange rate changes	(18)	–	(18)
Created during the year	65	5	70
Amounts paid ¹	(283)	(3)	(286)
Discount unwind	49	–	49
Remeasurements ²	78	–	78
Balance as at 29 March 2025	1,079	2	1,081
Effect of foreign exchange rate changes	(1)	–	(1)
Created during the year	47	–	47
Amounts paid ¹	(274)	(2)	(276)
Discount unwind	47	–	47
Remeasurements ²	57	–	57
Balance as at 28 March 2026	955	–	955

	As at 28 March 2026 £m	As at 29 March 2025 £m
Analysis of total lease liabilities:		
Non-current	751	866
Current	204	215
Total	955	1,081

1. The amount paid of £276 million (last year: £286 million) includes £229 million (last year: £237 million) representing a financing cash outflow and £47 million (last year: £49 million) representing an operating cash outflow. For the 52 weeks to 29 March 2025, the financing cash outflow included £5 million paid on termination of lease.
2. Remeasurements relate largely to changes in the lease liabilities that arise as a result of extending the lease term on an existing lease and management's reassessment of the lease term based on existing break or extension options in the contract, as well as those linked to an inflation index or rate review.

The Group enters into property leases for retail properties, including stores, concessions, warehouse and storage locations and office property. The remaining lease terms for these properties range from a few months to 17 years (last year: a few months to 15 years). Many of the leases include break options and/or extension options to provide operational flexibility. Some of the leases for concessions have rolling lease terms or rolling break options. Management assess the lease term at inception based on the facts and circumstances applicable to each property including the period over which the investment appraisal was initially considered.

Potential future undiscounted lease payments related to periods following the exercise date of an extension option not included in the lease term, and therefore not included in lease liabilities, are approximately £360 million (last year: £360 million) in relation to the next available extension option, and are assessed as not reasonably certain to be exercised. Potential future undiscounted lease payments related to periods following the exercise date of a break option not included in the lease term, and therefore not included in lease liabilities, are approximately £68 million (last year: £73 million) in relation to break options which are expected to be exercised. During the 52 weeks to 28 March 2026, no significant judgements regarding extension or break options in relation to individually material leases were made (last year: no significant judgements).

Management reviews the retail lease portfolio on an ongoing basis, taking into account retail performance and future trading expectations. Management may exercise extension options and negotiate lease extensions or modifications. In other instances, management may exercise break options, negotiate lease reductions or decide not to negotiate a lease extension at the end of the lease term. The most significant factor impacting future lease payments is changes management choose to make to the store portfolio.

Future increases and decreases in rent linked to an inflation index or rate review are not included in the lease liability until the change in cash flows is legally agreed. Approximately 21% (last year: 20%) of the Group's lease liabilities are subject to inflation linked reviews and 21% (last year: 31%) are subject to rent reviews. Rental changes linked to inflation or rent reviews typically occur on an annual basis.

Many of the retail property leases also incur payments based on a percentage of revenue achieved at the location. Changes in future variable lease payments will typically reflect changes in the Group's retail revenues, including the impact of regional mix. The Group expects the relative proportions of fixed and variable lease payments to remain broadly consistent in future years.

The Group also enters into non-property leases for equipment, advertising fixtures and machinery. Generally, these leases do not include break or extension options. The most significant impact to future cash flows relating to leased equipment, which are primarily short-term leases, would be the Group's usage of leased equipment to a greater or lesser extent.

21. Lease liabilities continued

The Group's accounting policy for leases is set out in note 2. Details of Income Statement charges and income from leases are set out in note 5. The right-of-use asset categories on which depreciation is incurred are presented in note 14. Interest expense incurred on lease liabilities is presented in note 8. Commitments relating to off-balance sheet leases are presented in note 25. The maturity of undiscounted future lease liabilities are set out in note 26.

Total cash outflows in relation to leases in the 52 weeks to 28 March 2026 are £393 million (last year: £394 million). This relates to payments of £229 million on lease principal (last year: £237 million), £47 million on lease interest (last year: £49 million), £99 million on variable lease payments (last year: £91 million), and £18 million on other lease payments principally relating to short-term leases and leases in holdover (last year: £17 million).

22. Provisions for other liabilities and charges

	Property obligations £m	Restructuring ¹ £m	Other £m	Total £m
Balance as at 29 March 2025	43	8	9	60
Effect of foreign exchange rate changes	—	—	—	—
Created during the year	6	45	2	53
Discount unwind	1	—	—	1
Utilised during the year	(2)	(49)	(1)	(52)
Released during the year	(2)	—	(4)	(6)
Balance as at 28 March 2026	46	4	6	56

1. Provision for restructuring costs relates to the Burberry Forward transformation programme initiated during the prior year which is included as an adjusting item. Refer to note 6 for details of adjusting items.

The net charge in the year for property obligations is £4 million (last year: £2 million), relating to future property reinstatement costs. The net release in the year for other provisions of £2 million (last year: net charge of £2 million) includes charges of £2 million (last year: £4 million) and releases of £4 million (last year: £2 million) relating to employee matters and tax compliance.

	As at 28 March 2026 £m	As at 29 March 2025 £m
Analysis of total provisions:		
Non-current	38	33
Current	18	27
Total	56	60

The non-current provisions relate to property reinstatement costs which are expected to be utilised within 17 years (last year: 15 years).

23. Overdrafts and borrowings

	Maturity	As at 28 March 2026		As at 29 March 2025	
		Carrying value £m	Fair value £m	Carrying value £m	Fair value £m
Bank overdrafts ¹	–	57	57	105	105
1.125% £300m MTN Sustainability-linked bond ²	Sep 2025	–	–	300	294
5.75% £450m MTN Fixed rate bond ³	Jun 2030	436	450	438	443
£75 million multi-currency revolving credit facility ⁴	Mar 2028	75	75	–	–
Total		568	582	843	842

1. Bank overdrafts includes £57 million (last year: £105 million) representing balances on cash pooling arrangements in the Group, as well as £nil (last year: £nil) relating to a number of committed and uncommitted arrangements agreed with third parties. The fair value of overdrafts approximates the carrying amount due to the short maturity of these instruments.
2. The sustainability bond was repaid in full on 22 September 2025.
3. All movements on the bond were non cash. The Group has entered into interest rate swaps to reduce the level of fixed rate debt in accordance with the Group Treasury Policy, and has entered the swaps into fair value hedge relationships with the bond. Interest on the bond is payable semi-annually.
4. The Group has a £75 million multi-currency RCF with a syndicate of banks, originally maturing in March 2027. During the year, the Group exercised its option to extend the facility by an additional year to March 2028 with the consent of the syndicate. The interest rate on the £75 million RCF is SONIA plus commercial margin. There were no drawdowns or repayments of the RCF during the prior year.

The Group has a £300 million multi-currency RCF with a syndicate of banks, maturing in November 2027. There were no drawdowns or repayments of the £300 million RCF during the current or prior year, and at 28 March 2026 there were no outstanding drawings.

The revolving credit facilities have a single leverage covenant. The Group is in compliance with the financial and other covenants within the facilities above and has been in compliance throughout the financial period.

24. Share capital and reserves

Allotted, called up and fully paid share capital	Number	£m
Ordinary shares of 0.05p (last year: 0.05p) each		
As at 30 March 2024	363,815,743	0.2
Allotted on exercise of options during the year	571	–
As at 29 March 2025	363,816,314	0.2
Allotted on exercise of options during the year	21,092	–
As at 28 March 2026	363,837,406	0.2

The Company has a general authority from shareholders, renewed at each Annual General Meeting, to repurchase a maximum of 10% of its issued share capital. There has been no share buy-back programme in the current period.

As at 28 March 2026, the Company held 2.8 million treasury shares (last year: 4.6 million), with a market value of £29 million (last year: £37 million) based on the share price at the reporting date. The treasury shares held by the Company are related to the share buy-back programme completed during the 53 weeks to 2 April 2022. During the 52 weeks to 28 March 2026, 1.8 million treasury shares were transferred to ESOP trusts (last year: 0.6 million). During the 52 weeks to 28 March 2026, no treasury shares were cancelled (last year: none).

The cost of shares purchased by ESOP trusts are offset against retained earnings, as the amounts paid reduce the profits available for distribution by the Company. As at 28 March 2026, the cost of own shares held by ESOP trusts and offset against retained earnings is £48 million (last year: £29 million). As at 28 March 2026, the ESOP trusts held 2.8 million shares (last year: 1.7 million) in the Company, with a market value of £29 million (last year: £14 million). In the 52 weeks to 28 March 2026 the Group purchased £5 million of ESOP shares (last year: £nil) for employee share awards that require market purchase shares. In the 52 weeks to 28 March 2026, the ESOP trusts and the Company have waived their entitlement to dividends.

Other reserves in the Statement of Changes in Equity consist of the capital reserve, the foreign currency translation reserve, and the hedging reserves. The hedging reserves consist of the cash flow hedge reserve and the net investment hedge reserve.

24. Share capital and reserves continued

	Capital reserve £m	Hedging reserves Cash flow hedges £m	Net investment hedge £m	Foreign currency translation reserve £m	Total £m
Balance as at 30 March 2024	41	(3)	5	198	241
Other comprehensive income:					
Cash flow hedges – losses deferred in equity	–	(1)	–	–	(1)
Cash flow hedges – transferred to income	–	2	–	–	2
Foreign currency translation differences	–	–	–	(25)	(25)
Total comprehensive income for the year	–	1	–	(25)	(24)
Balance as at 29 March 2025	41	(2)	5	173	217
Other comprehensive income:					
Cash flow hedges – losses deferred in equity	–	1	–	–	1
Cash flow hedges – transferred to income	–	–	–	–	–
Foreign currency translation differences	–	–	–	(13)	(13)
Total comprehensive income for the year	–	1	–	(13)	(12)
Balance as at 28 March 2026	41	(1)	5	160	205

As at 28 March 2026, the amount held in the hedging reserve relating to matured net investment hedges is £5 million net of tax (last year: £5 million).

25. Commitments

Financial commitments

The Group leases various retail stores, offices, warehouses and equipment under non-cancellable lease arrangements. The liabilities for these leases are recorded on the Group's Balance Sheet when the Group obtains control of the underlying asset. The Group has additional commitments relating to leases where the Group has entered into an obligation but does not yet have control of the underlying asset. The future lease payments to which the Group is committed, over the expected lease term, which are not recorded on the Group's Balance Sheet, are as follows:

	As at 28 March 2026 £m	As at 29 March 2025 £m
Amounts falling due:		
Within 1 year	4	1
Between 2 and 5 years	31	24
After 5 years	49	57
Total	84	82

The Group has entered into other contractual commitments in the normal course of business of £34 million (last year: £12 million) which are not recognised as liabilities at the reporting date. These primarily relate to operating arrangements for service contracts and are payable over the next five years.

Capital commitments

Contracted capital commitments represent contracts entered into by the year end for future work in respect of major capital expenditure projects relating to property, plant and equipment and intangible assets which are not recorded on the Group's Balance Sheet and are as follows:

	As at 28 March 2026 £m	As at 29 March 2025 £m
Capital commitments contracted but not provided for:		
Property, plant and equipment	11	16
Intangible assets	4	2
Total	15	18

26. Financial risk management

The Group's principal financial instruments comprise derivative instruments, cash and cash equivalents, borrowings (including overdrafts), trade and other receivables, and trade and other payables arising directly from operations.

The Group's activities expose it to a variety of financial risks: market risks (including foreign exchange risk and interest rate risk), credit risk, liquidity risk and capital risk.

Risk management is carried out by the Group treasury department (Group Treasury) based on forecast business requirements to reduce financial risk and to ensure sufficient liquidity is available to meet foreseeable needs and to invest in cash and cash equivalents safely and profitably. The Group uses derivative instruments to hedge certain risk exposures. Group Treasury does not operate as a profit centre and transacts only in relation to the underlying business requirements. The policies of Group Treasury are reviewed and approved by the Board of Directors annually.

Market risk

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various non-sterling currencies.

The Group's Income Statement is affected by transactions denominated in foreign currency. To reduce exposure to currency fluctuations, the Group has a policy of hedging foreign currency denominated transactions by entering into forward foreign exchange contracts (refer to note 18). These transactions are recorded as cash flow hedges. The Group's foreign currency transactions arise principally from purchases and sales of inventory.

The Group's treasury risk management policy is to hedge, prior to market opening, 70-90% of its anticipated third-party foreign currency exposure by currency, by season and where the net currency exposure is greater than £20 million. Currently, the Group hedges on balance sheet intercompany foreign currency transactions. The Group uses forward exchange contracts to hedge its currency risk.

The Group designates the spot component of foreign currency forwards in hedge relationships and applies a ratio of 1:1. The forward elements of the foreign currency forward are excluded from designation of the hedging instrument and are separately accounted for as a cost of hedging and recognised in operating expenses on a discounted basis.

The Group determines the existence of an economic relationship between the hedging instrument and the hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the dollar offset method.

In these hedge relationships, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the Group or the derivative counterparty. There was no ineffectiveness in the 52 weeks ending 28 March 2026 (last year: no ineffectiveness).

The Group monitors the desirability of hedging the net assets of overseas subsidiaries when translated into sterling for reporting purposes. The Group would use forward foreign exchange contracts to hedge net assets of overseas subsidiaries, relating to surplus cash whose remittance is foreseeable. There were no outstanding net investment hedges as at 28 March 2026 (last year: no outstanding net investment hedges).

At 28 March 2026, the Group has performed a sensitivity analysis to determine the effect of sterling strengthening/weakening by 10% (last year: 10%) against other currencies with all other variables held constant. The effect on translating foreign currency denominated net cash, trade, intercompany and other financial receivables and payables and financial instruments at fair value through profit or loss as at 28 March 2026 would have been to decrease/increase operating profit for the year by £3 million (last year: increase/decrease £4 million) on a post-tax basis. The effect on translating forward foreign exchange contracts designated as cash flow hedges as at 28 March 2026 would have been to decrease/increase equity by £2 million (last year: decrease/increase £3 million) on a post-tax basis.

The following table shows the extent to which the Group has monetary assets and liabilities at the year end in currencies other than the local currency of operation, after accounting for the effect of any specific forward foreign exchange contracts used to manage currency exposure. Monetary assets and liabilities refer to cash, deposits, overdrafts, borrowings and other amounts to be received or paid in cash. Amounts exclude intercompany balances which eliminate on consolidation. Foreign exchange differences on retranslation of these assets and liabilities are recognised in net operating expenses.

	As at 28 March 2026			As at 29 March 2025		
	Monetary assets £m	Monetary liabilities £m	Net £m	Monetary assets £m	Monetary liabilities £m	Net £m
Sterling	–	(1)	(1)	1	(1)	–
US Dollar	2	(11)	(9)	1	(20)	(19)
Euro	34	(37)	(3)	33	(32)	1
Chinese Yuan Renminbi	14	(25)	(11)	11	(3)	8
Other currencies	4	(18)	(14)	5	(27)	(22)
Total	54	(92)	(38)	51	(83)	(32)

26. Financial risk management continued

Market risk continued

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to cash, borrowings, short-term deposits and overdrafts.

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with fixed interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Where the Group is in a cash net of the long term debt position, the Group's policy is to align the interest rate type of the debt with those of the cash to establish a natural hedge.

To facilitate this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 28 March 2026, after taking into account the effect of interest rate swaps, approximately 100% of the Group's long-term borrowings are at a floating rate of interest (last year: 100%).

The floating rate financial liabilities at 28 March 2026 are £582 million (last year: £543 million) due to cash pool overdrafts, revolving credit facility drawdown and borrowings swapped from fixed interest rate to floating interest rate. The fixed rate financial liabilities at 28 March 2026 are borrowings of £nil (last year: £300 million). If interest rates on floating rate financial liabilities had been 100 basis points higher/lower (last year: 100 basis points), excluding the impact on cash pool overdraft balances and with all other variables held constant, post-tax profit for the year would have been £4 million (last year: £3 million) lower/higher, as a result of higher/lower interest expense.

The floating rate financial assets as at 28 March 2026 comprise short-term deposits of £518 million (last year: £639 million), interest bearing current accounts of £nil (last year: £1 million) and cash pool asset balances of £61 million (last year: £109 million). At 28 March 2026, if interest rates on floating rate financial assets had been 100 basis points higher/lower (last year: 100 basis points), excluding the impact on gross cash pool asset balances and with all other variables held constant, post-tax profit for the year would have been £4 million (last year: £3 million) higher/lower, as a result of higher/lower interest income.

Credit risk

Trade receivables

The Group has no significant concentrations of credit risk. The trade receivables balance is spread across a large number of different customers with no single debtor during the year representing more than 7% of the total balance due (last year: 6%). The Group has policies in place to ensure that wholesale sales are made to customers with an appropriate credit history. Sales to retail customers are made in cash or via major credit cards. In some retail locations, where the Group's store is contained within a department store or mall, for example a concession, the sales proceeds may be initially held by the operator of the wider location, giving rise to retail debtors. In addition, receivables balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant and default rates have historically been very low.

The Group applies the simplified approach when measuring the trade receivables expected credit losses. The approach uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on segment, geographical region and the days past due. The expected loss rates are reviewed annually, or when there is a significant change in external factors potentially impacting credit risk, and are updated where management's expectations of credit losses change. No changes have been made to the expected loss rates during the 52 weeks to 28 March 2026.

The expected credit loss allowance for receivables was determined as follows:

	Current £m	Less than 1 month overdue £m	Less than 2 months overdue £m	Less than 3 months overdue £m	Over 3 months overdue £m	Total £m
As at 28 March 2026						
Trade receivables						
Weighted average expected loss rate %	2%	4%	7%	14%	20%	
Gross carrying amount of trade receivables	115	16	3	2	15	151
Loss allowance ¹	(2)	(5)	–	–	(11)	(18)
As at 29 March 2025						
Trade receivables						
Weighted average expected loss rate %	1%	4%	8%	18%	21%	
Gross carrying amount of trade receivables	109	14	4	3	11	141
Loss allowance ¹	(2)	(1)	–	(1)	(7)	(11)

1. The loss allowance contains expected credit loss and specific loss provisions.

26. Financial risk management continued

Credit risk continued

Trade receivables continued

The closing loss allowances for receivables reconcile as follows:

	Receivables £m
As at 30 March 2024	10
Effect of foreign exchange rate changes	–
Impairment provision recognised in profit or loss during the year	5
Receivables written off during the year as uncollectable	(1)
Unused amount reversed	(3)
As at 29 March 2025	11
Effect of foreign exchange rate changes	–
Impairment provision recognised in profit or loss during the year	8
Receivables written off during the year as uncollectable	–
Unused amount reversed	(1)
As at 28 March 2026	18

In aggregate, as at 28 March 2026, the movement in the impairment provision on trade and other receivables and recorded in the Income Statement was a net charge of £7 million (last year: £2 million), all of which relates to contracts with customers.

The maximum exposure to credit risk at the reporting date with respect to trade and other receivables is approximated by the carrying amount on the Balance Sheet.

Receivables excluding trade receivables

The counterparty credit risk of other receivables is reviewed on a regular basis and the impairment is assessed as follows:

At inception the receivable is recorded net of expected 12-month credit losses. If a significant change in the credit risk occurs during the life of the receivable, credit losses are recorded in the profit and loss account and the effective interest is calculated using the gross carrying amount of the asset. If a loss event occurs, the effective interest is calculated using the amortised cost of the asset net of any credit losses.

During the year ended 31 March 2013, the Group entered into a retail leasing arrangement in the Republic of Korea. As part of this arrangement, a KRW 27 billion (£19 million) 15-year interest-free loan was provided to the landlord. The Group holds a registered mortgage over the leased property for the equivalent value of the loan which acts as collateral. At 28 March 2026, the discounted fair value of the loan is £12 million (last year: £13 million). The book value of the loan, recorded at amortised cost, is £12 million (last year: £12 million). Other than this arrangement, the Group does not hold any other collateral as security. Management considers that the security provided by the mortgage is sufficient risk mitigation and hence the credit loss relating to this receivable is not significant.

Other financial assets

With respect to credit risk arising from other financial assets, which comprise cash and short-term deposits and certain derivative instruments, the Group's exposure to credit risk arises from the default of the counterparty with a maximum exposure equal to the carrying value of these instruments. The Group has policies that limit the amount of credit exposure to any financial institution and only deposits funds with independently rated financial institutions with a minimum rating of 'A' other than where required for operational purposes. A total of £nil (last year: £3 million) was held with institutions with a rating below 'A' at 28 March 2026. These amounts are monitored on a weekly basis by the Treasury Committee.

26. Financial risk management continued

Liquidity risk

The Group's financial risk management policy aims to ensure that sufficient cash is maintained to meet foreseeable needs and close out market positions. Due to the dynamic nature of the underlying business, Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available. For further details, refer to note 23.

All short-term trade and other payables, accruals, and bank overdrafts mature within one year or less. The carrying value of all financial liabilities due in less than one year is equal to their contractual undiscounted cash flows, with the exception of lease liabilities. The undiscounted contractual cash flows for lease liabilities due in less than one year is £255 million (last year: £262 million).

The maturity profile of the contractual undiscounted cash flows of the Group's non-current financial liabilities, excluding derivatives used for hedging, is as follows:

	As at 28 March 2026			As at 29 March 2025		
	Lease liabilities £m	Other £m	Total £m	Lease liabilities £m	Other ¹ £m	Total £m
In more than 1 year, but not more than 2 years	222	101	323	213	26	239
In more than 2 years, but not more than 3 years	140	26	166	192	26	218
In more than 3 years, but not more than 4 years	124	26	150	125	26	151
In more than 4 years, but not more than 5 years	88	463	551	116	26	142
In more than 5 years	358	3	361	378	465	843
Total financial liabilities	932	619	1,551	1,024	569	1,593

1. The other non-current financial liabilities as at 29 March 2025 have been restated to reflect the Group's non-current contractual interest cash flows.

As at 28 March 2026, other non-current financial liabilities relate to borrowings of £511 million (last year: borrowings of £438 million). Refer to note 23.

Capital risk

The Board reviews the Group's capital allocation policy annually. The Group's capital allocation framework defines its priorities for uses of cash, underpinned by its principle to maintain a strong balance sheet with a solid investment grade credit rating. Subject to the availability of capital, the framework has four priorities for the use of cash generated from operations:

- Re-investment in the business to drive organic growth
- Maintaining a progressive dividend policy
- Continuing to pursue selective inorganic strategic investment
- To the extent that there is surplus capital to these needs, providing additional returns to shareholders

At 28 March 2026, the Group had net cash of £614 million (last year: £708 million), borrowings of £511 million (last year: £738 million) and total equity excluding non-controlling interests of £940 million (last year: £914 million). The borrowings at 28 March 2026 relate to medium-term notes with a face value of £450 million (last year: £750 million) and a £75 million drawdown of the £75 million revolving credit facility (last year: £nil). For further details, refer to note 23. Potential additional sources of funding available to the Group include undrawn and additional bank facilities, longer-term debt and equity funding. The Group's current capital resources, together with the potential additional sources of funding, are considered sufficient to address the Group's capital risk.

27. Employee costs

Staff costs, including the cost of Directors, incurred during the year are as shown below. Directors' remuneration, which is separately disclosed in the Directors' Remuneration Report on pages 141 to 177 and forms part of these financial statements, includes, for those share options and awards where performance obligations have been met, the notional gains arising on the future exercise but excludes the charge in respect of those share options and awards recognised in the Group Income Statement.

	52 weeks to 28 March 2026 ¹ £m	52 weeks to 29 March 2025 ¹ £m
Wages and salaries	446	461
Social security costs	67	58
Pension costs	20	22
	533	541
Termination benefits	33	17
Equity-settled share-based payment charge	21	18
Total	587	576

1. Employee costs for the 52 weeks to 28 March 2026 include a charge of £33 million (last year: £16 million) arising as a result of the Group's restructuring programme which is presented as an adjusting item. Refer to note 6 for further details.

Pension costs include contributions to the Group's defined contribution plan for eligible employees.

The average number of full-time equivalent employees (including Executive Directors) during the year was as follows:

	Number of employees	
	52 weeks to 28 March 2026	52 weeks to 29 March 2025
EMEIA ¹	3,774	4,431
Greater China ^{2,3}	1,600	1,830
Americas	1,194	1,238
Asia Pacific ^{2,4}	1,045	1,202
Total	7,613	8,701

1. EMEIA comprises Europe, Middle East, India and Africa.

2. Commencing 30 March 2025, the former Asia Pacific region was restructured into two regions, Asia Pacific and Greater China. The average number of full-time equivalent employees (including Executive Directors) for the comparative periods has been restated to reflect the new regional structure. For the 52 weeks to 29 March 2025, the number of employees attributable to Asia Pacific decreased by 1,830 with those employees now attributable to Greater China.

3. Greater China consists of Mainland China; Hong Kong S.A.R., China; Macau S.A.R., China; and Taiwan Area, China.

4. Asia Pacific consists of the rest of Asia; including Japan, South Korea, Southeast Asia, Australia and New Zealand.

Shares and share options granted to Directors and employees

The Group had the following share-based compensation schemes in operation during the year:

Share-based compensation scheme	Participants	Maximum vesting period for options / awards granted	Method of settlement	Vesting requirements
Burberry Share Plan (BSP) Award Schemes	Executive Directors	3 years	Equity and cash	Continued service and conditional upon meeting underpins: total revenue, ROIC and reasonable progress in respect of our strategy to elevate our brand and build a more sustainable future
Burberry Share Plan (BSP) Award Schemes	Management	3 years	Equity and cash	Continued service
Burberry Share Plan (BSP) Award Schemes	Management	3 years	Equity and cash	Continued service and conditional upon Burberry achieving a specified total shareholder return performance by the end of a three-year period
Executive Share Plan (ESP)	Management	4 years	Equity and cash	Thresholds and targets for all ESP schemes have now been assessed and the number of shares awarded has been approved
Nil cost Option Schemes				
ShareSave (SAYE) Option Schemes	All employees	5 years	Equity and cash	Continued service
Free Share Plan Award Schemes	All employees	3 years	Equity and cash	Continued service
Recruitment Share Award	CEO	3 years	Equity	Continued service and conditional upon Burberry achieving a specified total shareholder return performance by the end of a three-year period

Where applicable, equity swaps have been entered into to cover future employer's national insurance liability (or overseas equivalent) that may arise in respect of these schemes.

The fair value charge relating to Burberry Share Plan (BSP) Award Schemes, ShareSave (SAYE) Schemes, and Free Share Plan Schemes was £15 million, £2 million and £3 million, respectively (last year: £12 million, £3 million and £2 million, respectively). The fair value charge relating to the remaining schemes was £1 million (last year: £1 million).

27. Employee costs continued

Movements during the year

The number and weighted average exercise price (WAEP) of, and movements in, share-based compensation schemes during the year are as follows:

For the 52 weeks ended 28 March 2026:

	Burberry Share Plan (BSP) Award Schemes		Executive Share Plan (ESP) Nil cost Option Schemes		ShareSave (SAYE) Option Schemes		Free Share Plan Award Schemes		Recruitment Share Award	
	Awards	WAEP	Options	WAEP	Options	WAEP	Awards	WAEP	Awards	WAEP
Outstanding at 29 March 2025	3,585,929		115,523	–	2,004,701	£8.63	743,397		392,366	
Granted	2,762,123		–	–	348,128	£9.41	232,798		–	
Forfeited	(615,505)		(4,807)	–	(539,127)	£13.76	(85,858)		–	
Exercised	(741,661)		(36,764)	–	(21,092)	£7.37	(178,298)		–	
Outstanding at 28 March 2026	4,990,886		73,952	–	1,792,610	£8.30	712,039		392,366	
Exercise price range			–		£7.13 – £16.72					
Weighted average remaining contractual life (years)	1.7		–		2.1		1.8		1.3	
Exercisable at 28 March 2026	–		73,952		68,986		111,876		–	

For the 52 weeks ended 29 March 2025:

	Burberry Share Plan (BSP) Award Schemes		Executive Share Plan (ESP) Nil cost Option Schemes		ShareSave (SAYE) Option Schemes		Free Share Plan Award Schemes		Recruitment Share Award	
	Awards	WAEP	Options	WAEP	Options	WAEP	Awards	WAEP	Awards	WAEP
Outstanding at 30 March 2024	2,252,737		149,391	–	1,451,065	£13.45	582,029		–	
Granted	2,664,253		–	–	1,610,987	£7.13	350,319		392,366	
Forfeited	(723,984)		(6,881)	–	(1,049,713)	£13.43	(76,629)		–	
Exercised	(607,077)		(26,987)	–	(7,638)	£11.64	(112,322)		–	
Outstanding at 29 March 2025	3,585,929		115,523	–	2,004,701	£8.63	743,397		392,366	
Exercise price range			–		£7.13 – £16.72					
Weighted average remaining contractual life (years)	1.9		–		2.7		2.6		2.3	
Exercisable at 29 March 2025	1,198		115,523		123,228		3,093		–	

The weighted average share price at the date of exercise for awards exercised or vested in the period was £12.84 (last year: £8.28).

27. Employee costs continued

Valuation models and key assumptions used

During the year, awards were granted under the BSP Schemes on 31 July 2025 and 20 November 2025 at a fair value of £12.92 and £11.40, respectively. These values are based on the closing share price of an ordinary share at the date of grant.

The ShareSave (SAYE) Option Schemes have been valued using the Black-Scholes option pricing model and the award granted under the BSP scheme conditional on achieving a specified total shareholder return performance has been valued using the Monte Carlo pricing model.

The assumptions applied to the options granted in the respective periods are as follows:

SAYE Scheme	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025
Black-Scholes		
Grant date	11 December 2025	12 December 2024
Expected dividend yield (%)	1.07	1.16
Expected volatility (%) ¹ (3-year/5-year term)	36.42 / 34.9	34.77 / 36.5
Risk-free interest rate (%) (3-year/5-year term)	3.81 / 3.96	4.04 / 4.18
Expected life of option (years)	3 / 5	3 / 5
Weighted average exercise price (£)	9.41	7.12
Share price at grant (£)	12.18	9.76
Weighted average fair value of options granted (£) (3-year/5-year term)	4.54 / 5.20	3.80 / 4.44

Monte Carlo	BSP Award	Recruitment Share Award
	52 weeks ended 28 March 2026	52 weeks ended 29 March 2025
Grant date	31 July 2025	19 December 2024
Expected dividend yield (%)	0.0	0.0
Expected volatility (%) ¹	39.4	36.5
Risk-free interest rate (%)	3.84	4.3
Expected life of awards (years)	3.0	4.6
Discount for post vesting restrictions (%)	–	15
Share price at grant (£)	12.91	9.51
Weighted average fair value of awards granted (£)	8.05	4.57

1. Volatility is determined by calculating the historical annualised standard deviation of the market price of Burberry Group plc shares over a period of time, prior to the grant, equivalent to the expected life of the option.

28. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Total compensation in respect of key management, who are defined as the Board of Directors and certain members of senior management, is considered to be a related party transaction.

The total compensation in respect of key management for the year was as follows:

	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Salaries, short-term benefits and social security costs ¹	9	6
Share-based compensation (all awards and options settled in shares)	3	–
Termination benefits	–	1
Total	12	7

1. Pension cash allowance is included within salaries, short-term benefits and social security costs.

The Group donates each year to The Burberry Foundation, an independent charity which meets the criteria to be reported as a related party in accordance with IFRS. Charitable donations to The Burberry Foundation for the 52 weeks to 28 March 2026 were £2 million (last year: £4 million).

There were no other material related party transactions in the year.

29. Subsidiary undertakings and investments

In accordance with Section 409 of the Companies Act 2006, a full list of related undertakings as at 28 March 2026, including their country of incorporation and percentage share ownership, is disclosed below. Unless otherwise stated, all undertakings are indirectly owned by Burberry Group plc and operate in the country of incorporation. All the subsidiary undertakings have been consolidated as at 28 March 2026.

Company name	Country/territory of incorporation	Interest	Holding (%)	Registered office
Burberry Pacific Pty Ltd	Australia	Ordinary shares	100	1
Burberry (Austria) GmbH	Austria	Ordinary shares	100	2
Sandringham Bahrain W.L.L. ¹	Bahrain	Ordinary shares	100	3
Burberry Antwerp NV	Belgium	Ordinary shares	100	4
Burberry Brasil Comércio de Artigos de Vestuário e Acessórios Ltda	Brazil	Quota	100	5
Burberry Canada Inc	Canada	Common shares	100	6
Burberry (Shanghai) Trading Co., Ltd	Mainland China	Equity interest	100	7
Burberry Czech Rep s.r.o.	Czech Republic	Ordinary shares	100	8
Burberry France SASU	France	Ordinary shares	100	9
Burberry (Deutschland) GmbH	Germany	Ordinary shares	100	10
Burberry Asia Holdings Limited	Hong Kong S.A.R., China	Ordinary shares	100	11
Burberry China Holdings Limited	Hong Kong S.A.R., China	Ordinary shares	100	11
Burberry Asia Limited	Hong Kong S.A.R., China	Ordinary shares	100	11
Burberry Hungary Kereskedelmi Korlátolt Felelősségű Társaság	Hungary	Ordinary shares	100	12
Burberry India Private Limited	India	Ordinary shares	51	13
Burberry Ireland Investments Unlimited Company	Ireland	Ordinary A shares	100	14
		Ordinary B shares	100	
Burberry Ireland Limited	Ireland	Ordinary shares	100	14
Burberry Italy (Rome) S.R.L.	Italy	Quota	100	15
Burberry Italy S.R.L. ²	Italy	Quota	100	15
Burberry Tecnica S.R.L.	Italy	Quota	100	16
Burberry Manifattura S.R.L.	Italy	Quota	100	17
Burberry Japan K.K.	Japan	Ordinary shares	100	18
Burberry Kuwait General Trading Textiles and Accessories Company W.L.L. ³	Kuwait	Capital units	49	19
Burberry Macau Limited	Macau S.A.R., China	Quota	100	20
Burberry (Malaysia) Sdn. Bhd.	Malaysia	Ordinary shares	100	21
Horseferry México S.A. de C.V.	Mexico	Ordinary (fixed) shares	100	22
		Ordinary (variable) shares	100	
Horseferry México Servicios Administrativos, S.A. de C.V. ⁶	Mexico	Ordinary (fixed) shares	100	22
Burberry Netherlands B.V.	Netherlands	Ordinary shares	100	23
Burberry New Zealand Limited	New Zealand	Ordinary shares	100	24
Burberry Qatar W.L.L. ³	Qatar	Ordinary shares	49	25
Burberry Korea Limited	Republic of Korea	Common stock	100	26
Burberry Retail LLC ⁴	Russian Federation	Participatory share	100	27
Burberry Saudi Company Limited	Kingdom of Saudi Arabia	Ordinary shares	100	28
Burberry (Singapore) Distribution Company PTE Ltd	Singapore	Ordinary shares	100	29
Burberry (Spain) Retail S.L.	Spain	Ordinary shares	100	30
Burberry (Suisse) SA ²	Switzerland	Ordinary shares	100	31
Burberry (Taiwan) Co., Ltd	Taiwan Area, China	Common shares	100	32
Burberry (Thailand) Limited	Thailand	Common shares	100	33

29. Subsidiary undertakings and investments continued

Company name	Country of incorporation	Interest	Holding (%)	Registered office
Burberry Turkey Giyim Toptan Ve Perakende Satış Limited Şirketi	Turkey	Ordinary shares	100	34
Burberry FZ-LLC	United Arab Emirates	Ordinary shares	100	35
Burberry Middle East LLC ³	United Arab Emirates	Ordinary shares	49	36
Burberry (España) Holdings Limited ⁵	United Kingdom	Ordinary shares	100	37
Burberry (No. 7) Unlimited	United Kingdom	Ordinary shares	100	37
Burberry (UK) Limited ⁵	United Kingdom	Ordinary shares	100	37
Burberry Europe Holdings Limited ^{2,5}	United Kingdom	Ordinary shares	100	37
Burberry Finance Limited ⁵	United Kingdom	Ordinary shares	100	37
Burberry Haymarket Limited ^{2,5}	United Kingdom	Ordinary shares	100	37
Burberry Holdings Limited ⁵	United Kingdom	Ordinary shares	100	37
Burberry International Holdings Limited ²	United Kingdom	Ordinary shares	100	37
Burberry Latin America Limited ⁵	United Kingdom	Ordinary shares	100	37
Burberry Limited	United Kingdom	Ordinary shares	100	37
Burberry London Limited ⁵	United Kingdom	Ordinary shares	100	37
Burberrys Limited ^{2,5}	United Kingdom	Ordinary shares	100	37
Sweet Street Developments Limited ⁵	United Kingdom	Ordinary shares	100	37
The Scotch House Limited ^{2,5}	United Kingdom	Ordinary shares	100	37
Thomas Burberry Holdings Limited ^{2,5}	United Kingdom	Ordinary shares	100	37
Thomas Burberry Limited ^{2,5}	United Kingdom	Ordinary shares	100	37
Woodrow-Universal Limited ^{2,5}	United Kingdom	Ordinary shares	100	37
Woodrow-Universal Pension Trustee Limited ^{2,5}	United Kingdom	Ordinary shares	100	37
Burberry (Wholesale) Limited	United States	Class X common stock	100	38
		Class Y common stock	100	
Burberry Limited	United States	Class X common stock	100	38
		Class Y common stock	100	
Burberry North America, Inc.	United States	Common stock	100	39

1. The Group has an indirect holding of 100% of the issued share capital through a nominee.

2. Held directly by Burberry Group plc.

3. The Group has a 100% share of profits of Burberry Middle East LLC as well as a 100% and majority share of profits in Burberry Middle East LLC's subsidiaries in Kuwait and Qatar respectively. The Group has the power to control these companies under the agreements relating to Burberry Middle East LLC.

4. Burberry Retail LLC's stores have been closed since March 2022.

5. This subsidiary will take the audit exemption allowed under Section 479A of the Companies Act 2006 for the year ended 28 March 2026.

6. Horseferry México Servicios Administrativos, S.A. de C.V. entered liquidation on 5 November 2024.

29. Subsidiary undertakings and investments continued

Ref	Registered office address
1	Suite 201, Level 2, 343 George Street, Sydney NSW 2000, Australia
2	Kohlmarkt 2, 1010 Wien, Austria
3	Building 2758, Flat no. 1081, Road 4650, Block 346, Manama/Sea Front, Bahrain
4	Waterloolaan 48, 1000, Brussels, Belgium
5	City of São Paulo, State of São Paulo, at Rua do Rocio, 350, 3rd Pavement of Condominium Atrium IX, suites No. 32, 28th subdistrict, Vila Olímpia, CEP 04552-000, Brazil
6	100 King Street West, 1 First Canadian Place, Suite 1600, Toronto ON M5X 1G5, Canada
7	60th Floor (Actual Floor No.53), Wheelock Square, No. 1717 Nanjing West Road, Jing'an Districts, Shanghai 200040, People's Republic of China
8	Praha 1, Pařížská 11/67, PSČ 11000, Czech Republic
9	56A rue du Faubourg Saint-Honoré, 75008, Paris, France
10	Königsallee 50, 40212, Düsseldorf, Germany
11	Flat /RM 2201-02 & 09-14, 22F FWD Tower, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
12	H-1068 Budapest Dózsa György út 84. B, Hungary
13	10th Floor, International Trade Tower, Nehru Place, New Delhi, South East Delhi, Delhi 110019, India
14	One Spencer Dock, North Wall Quay, Dublin 1, Ireland
15	Via Manzoni n.20, CAP, 20121, Milano, Italy
16	Via Italia 6/A, 10093 Collegno (TO), Italy
17	Via delle Fonti n.10, 50018 Scandicci, Italy
18	5-14 Ginza 2-chome, Chuo-ku, Tokyo, Japan
19	Hawally, Block 8, Street 276, Plot 9301, Unit No 12, Floor 7, Kuwait
20	MacauShop Unit 1202 on Mezzanine Level and Shop Unit 2812 on Level 2 in Shoppes at Four Seasons, Estrada Da Baía De N. Senhora De Esperança, S/N, Taipa, Macau
21	Unit 9.01, PJ Tower, Amcorp Trade Centre, 18, Persiaran Barat, 46050 Petaling Jaya Selangor, Malaysia
22	Edgar Allan Poe 85-B, Col. Polanco, Delg. Miguel Hidalgo, Mexico City, 11560, Mexico
23	Pieter Cornelisz. Hooftstraat 50 H, 1071CA Amsterdam, Netherlands
24	Level 20, HSBC Tower, 188 Quay Street, Auckland, 1010, New Zealand
25	First Floor, Building No. 660, Street no. 364, Al Waab, Zone No.54A, Al Marikh, Al Rayyan Municipality South, Doha, Qatar
26	459, Dosan-daero, Gangnam-gu, Seoul, Republic of Korea
27	Ulitsa Petrovka, 16, floor 3, Premise I, rooms 47-53, 127051, Moscow, Russian Federation
28	1st Floor, Building No. 7235, Al Olaya Street, 2392 Al Olya District Riyadh 12244, Kingdom of Saudi Arabia
29	391B Orchard Road, #15-02/03, Ngee Ann City, 238874, Singapore
30	Passeig de Gràcia, 56, 08007, Barcelona, Spain
31	Route de Chêne 30A, c/o L&S Trust Services SA, 1208 Genève, Switzerland
32	5F, No 451 Changchun Rd, Songshan Dist, Taipei City 10547, Taiwan
33	No.127 Office 25.03; Level 25; Gaysorn Tower; Ratchadamri Road, Lumpini Sub-District; Pathumwan District; 10330 Bangkok; Thailand
34	Reşitpaşa Mahallesi Eski Büyükdere Cad. Windowist Tower Sit. No: 26/1 Sariyer/Istanbul, Turkey
35	Dubai Design District, Premises., 312, 313, 314 & 315, Floor: 03, Building: 08, Dubai Design District, United Arab Emirates
36	Dubai Design District, Building 8, Level 3, Unit no 314 and 315 PO Box 83916, Dubai, United Arab Emirates
37	Horseferry House, Horseferry Road, London, SW1P 2AW, United Kingdom
38	Corporation Service Company, 80 State Street, Albany, NY, 12207-2543, USA
39	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, USA

30. Contingent liabilities

The Group is subject to claims against it and to tax audits in a number of jurisdictions which arise in the ordinary course of business. These typically relate to Value Added Taxes, sales taxes, customs duties, corporate taxes, transfer pricing, payroll taxes, various contractual claims, legal proceedings and other matters. Where appropriate, the estimated cost of known obligations has been provided in these financial statements in accordance with the Group's accounting policies. The Group does not expect the outcome of current similar contingent liabilities to have a material effect on the Group's financial position.

FIVE YEAR SUMMARY (UNAUDITED)

To end of year	2022	2023	2024	2025	2026
Revenue by channel	£m	£m	£m	£m	£m
Retail	2,273	2,501	2,400	2,076	2,056
Wholesale	512	543	506	319	303
Retail/Wholesale	2,785	3,044	2,906	2,395	2,359
Licensing	41	50	62	66	61
Total revenue	2,826	3,094	2,968	2,461	2,420
Profit by channel	£m	£m	£m	£m	£m
Retail/Wholesale ¹	486	587	359	(36)	103
Licensing	37	47	59	62	57
Adjusted operating profit¹	523	634	418	26	160
Segmental analysis of adjusted profit¹	%	%	%	%	%
Retail/Wholesale gross margin	70.2	70.0	67.0	61.5	67.1
Retail/Wholesale operating expenses as a percentage of sales	52.7	50.7	54.6	63.0	62.7
Retail/Wholesale operating margin	17.5	19.3	12.4	(1.5)	4.4
Licensing operating margin	90.2	91.9	94.0	93.8	93.2
Adjusted operating profit margin	18.5	20.5	14.1	1.0	6.6
Summary profit analysis	£m	£m	£m	£m	£m
Adjusted operating profit ¹	523	634	418	26	160
Net finance expense ¹	(31)	(21)	(35)	(63)	(66)
Adjusted profit/(loss) before taxation ¹	492	613	383	(37)	94
Adjusting items	19	21	–	(29)	(45)
Profit/(loss) before taxation	511	634	383	(66)	49
Taxation	(114)	(142)	(112)	(9)	(29)
Non-controlling interest	(1)	(2)	(1)	–	1
Attributable profit/(loss)	396	490	270	(75)	21
Retail/Wholesale revenue by product division	£m	£m	£m	£m	£m
Accessories	1,017	1,125	1,055	841	837
Womenswear	784	867	860	718	728
Menswear	807	868	842	732	701
Childrenswear and other	177	184	149	104	93
Retail/Wholesale revenue by destination	£m	£m	£m	£m	£m
EMEIA ²	813	1,004	1,017	842	821
Greater China ^{3,4}	901	838	835	662	670
Americas	696	743	603	510	505
Asia Pacific ^{3,5}	375	459	451	381	363
Financial KPIs	%	%	%	%	%
Total revenue growth ⁶	+23	+5	–	-15	–
Comparable store sales growth ⁶	+18	+7	-1	-12	+2
Adjusted operating profit growth ^{1,6}	+38	+8	-25	-88	+551
Adjusted operating profit margin ¹	18.5	20.5	14.1	1.0	6.6
Adjusted diluted EPS growth ¹	+40	+30	-40	-120	+202
Adjusted Group return on invested capital (ROIC) ¹	24.6	28.6	15.3	1.0	5.5

1. Excludes the impact of adjusting items. Refer to note 2q for the Group's policy on adjusting items.

2. EMEIA comprises Europe, Middle East, India and Africa.

3. Commencing 30 March 2025, the former Asia Pacific region was restructured into two regions, Asia Pacific and Greater China. The revenue by destination for the comparative periods has been restated to reflect the new regional structure.

4. Greater China consists of Mainland China; Hong Kong S.A.R., China; Macau S.A.R., China; and Taiwan Area, China.

5. Asia Pacific consists of the rest of Asia; including Japan, South Korea, Southeast Asia, Australia and New Zealand.

6. Growth rate is year-on-year underlying change, i.e. at constant exchange rates.

To end of year	2022 pence per share	2023 pence per share	2024 pence per share	2025 pence per share	2026 pence per share
Earnings and dividends					
Adjusted earnings/(loss) per share – diluted ¹	94.0	122.5	73.9	(14.8)	15.2
Earnings/(loss) per share – diluted	97.7	126.3	73.9	(20.9)	5.9
Diluted weighted average number of ordinary shares (millions)	404.8	388.0	366.2	358.4	360.3
Dividend per share					
Interim	11.6	16.5	18.3	–	–
Final	35.4	44.5	42.7	–	–
To end of year	2022	2023	2024	2025	2026
Net cash flow	£m	£m	£m	£m	£m
Adjusted profit/(loss) before tax	492	613	383	(37)	94
Adjusting items	19	21	–	(29)	(45)
Profit/(loss) before taxation	511	634	383	(66)	49
Depreciation and amortisation	313	344	379	413	375
Employee share scheme costs	16	19	16	18	21
Net finance expense	32	23	35	63	66
(Increase)/decrease in inventories	(22)	(10)	(57)	80	19
(Increase)/decrease in receivables	(5)	(17)	(32)	36	(15)
Increase/(decrease) in payables and provisions	81	(49)	(77)	(41)	37
Other non-cash items	(17)	(32)	18	23	30
Cash flow from operations	909	912	665	526	582
Net interest	(30)	(22)	(20)	(54)	(53)
Tax paid	(180)	(140)	(139)	(43)	(45)
Net cash flow from operations	699	750	506	429	484
Capital expenditure	(161)	(179)	(208)	(151)	(113)
Proceeds from disposal of non-current assets	8	32	–	12	–
Payment of lease principal and related cash flows	(206)	(210)	(235)	(225)	(230)
Free cash flow	340	393	63	65	141
Acquisitions	(10)	(6)	(19)	(2)	–
Dividends	(219)	(203)	(233)	(152)	–
Purchase of shares through share buyback	(153)	(404)	(402)	–	–
Proceeds from borrowings	–	–	–	439	75
Repayment of borrowings	–	–	–	–	(300)
Other	(4)	2	1	–	(5)
Exchange difference	7	2	(9)	(4)	(5)
Total movement in net cash	(39)	(216)	(599)	346	(94)
Net cash	1,177	961	362	708	614

1. Excludes the impact of adjusting items. Refer to note 2q for the Group's policy on adjusting items.

At end of year	2022	2023	2024	2025	2026
Balance Sheet	£m	£m	£m	£m	£m
Intangible assets	240	248	267	229	214
Property, plant and equipment	322	376	406	398	355
Right-of-use assets	880	950	1,013	867	748
Inventories	426	447	507	424	401
Trade and other receivables	328	359	392	357	371
Trade and other payables	(572)	(553)	(502)	(459)	(510)
Lease liabilities	(1,058)	(1,123)	(1,188)	(1,081)	(955)
Taxation (including deferred taxation)	221	229	243	269	287
Net cash	1,177	961	362	708	614
Borrowings	(298)	(298)	(299)	(738)	(511)
Other net assets	(49)	(57)	(47)	(53)	(68)
Net assets	1,617	1,539	1,154	921	946
Reconciliation of adjusted Group ROIC	2022	2023	2024	2025	2026
	£m	£m	£m	£m	£m
Adjusted operating profit ¹	523	634	418	26	160
Adjusted profit effective tax rate ^{1,2}	22.2%	22.2%	29.2%	–	42.5%
Adjusted net operating profit after tax ^{1,2}	407	493	296	20	92
Net assets	1,617	1,539	1,154	921	946
Deduct cash net of overdrafts	(1,177)	(961)	(362)	(708)	(614)
Add back borrowings	298	298	299	738	511
Add back lease debt	1,058	1,123	1,188	1,081	955
Deduct net tax assets	(221)	(229)	(243)	(269)	(287)
Operating assets	1,575	1,770	2,036	1,763	1,511
Add back net liabilities related to adjusting items:					
Deferred consideration	8	5	5	3	3
Restructuring liabilities/other	63	30	23	27	19
Adjusted operating assets ¹	1,646	1,805	2,064	1,793	1,533
Average adjusted operating assets ¹	1,651	1,726	1,935	1,929	1,663
Adjusted Group ROIC¹	24.6%	28.6%	15.3%	1.0%	5.5%

1. Excludes the impact of adjusting items. Refer to note 2q for the Group's policy on adjusting items.

2. The Group's adjusted effective tax rate for the 52 weeks to 29 March 2025 was -43%. For the purposes of the Group ROIC calculation, the UK effective tax rate of 25.0% was used.

COMPANY BALANCE SHEET

52 weeks ended 28 March 2026

	Note	As at 28 March 2026 £m	As at 29 March 2025 £m
Fixed assets			
Investments in subsidiaries	D	1,650	1,630
		1,650	1,630
Current assets			
Trade and other receivables – amounts falling due after more than one year	E	588	623
Trade and other receivables – amounts falling due within one year	E	1	301
Derivative assets maturing within one year		–	1
Deferred tax asset		2	–
		591	925
Creditors – amounts falling due within one year	F	(14)	(107)
Derivative liabilities maturing within one year		(1)	–
Borrowings	G	–	(300)
Net current assets		576	518
Total assets less current liabilities		2,226	2,148
Creditors – amounts falling due after more than one year	F	(159)	(87)
Borrowings	G	(441)	(439)
Net assets		1,626	1,622
Equity			
Called up share capital	I	–	–
Share premium account		231	231
Capital reserve		1	1
Profit and loss account		1,394	1,390
Total equity		1,626	1,622

Loss for the year was £12 million (last year: loss £9 million). The Directors consider that, at 28 March 2026, £769 million (last year: £749 million) of the profit and loss account is non-distributable.

The financial statements on pages 240 to 249 were approved and authorised for issue by the Board on 13 May 2026 and signed on its behalf by:

Joshua Schulman
Chief Executive Officer

Kate Ferry
Chief Financial Officer

COMPANY STATEMENT OF CHANGES IN EQUITY

52 weeks ended 28 March 2026

Note	Called up share capital £m	Share premium account £m	Capital reserve £m	Profit and loss account £m	Total equity £m
Balance as at 30 March 2024	–	231	1	1,533	1,765
Loss for the year	–	–	–	(9)	(9)
Total comprehensive loss for the year	–	–	–	(9)	(9)
Employee share incentive schemes					
Equity share awards	–	–	–	18	18
Dividends paid in the year	J	–	–	(152)	(152)
Balance as at 29 March 2025	–	231	1	1,390	1,622
Loss for the year	–	–	–	(12)	(12)
Total comprehensive loss for the year	–	–	–	(12)	(12)
Employee share incentive schemes					
Equity share awards	–	–	–	21	21
Purchase of shares held by ESOP Trusts	–	–	–	(5)	(5)
Balance as at 28 March 2026	–	231	1	1,394	1,626

A. Basis of preparation

Burberry Group plc (the Company) is the parent Company of the Burberry Group. Burberry Group plc is a public company which is limited by shares and is listed on the London Stock Exchange. The Company's principal business is investment and it is incorporated and domiciled in the UK. The Company is registered in England and Wales and the address of its registered office is Horseferry House, Horseferry Road, London, SW1P 2AW. The Company is the sponsoring entity of The Burberry Group plc ESOP Trust and The Burberry Group plc SIP Trust (collectively known as the ESOP trusts). These financial statements have been prepared by including the ESOP trusts within the financial statements of the Company. The purpose of the ESOP trusts is to purchase shares of the Company in order to satisfy Group share-based payment arrangements.

Burberry Group plc and its subsidiaries (the Group) is a global luxury goods manufacturer, retailer and wholesaler. The Group also licenses third parties to manufacture and distribute products using the 'Burberry' trademarks. All of the companies which comprise the Group are controlled by the Company directly or indirectly. The consolidated financial statements of the Group have been prepared in accordance with the requirements of the Companies Act 2006 and UK-adopted International Accounting Standards. These consolidated financial statements have been prepared for public use and can be obtained at Horseferry House, Horseferry Road, London, SW1P 2AW.

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by derivative financial assets and derivative financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006. As permitted by Section 408 of the Companies Act 2006, the Company has not presented its own Income Statement.

The preparation of the financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (refer to note C).

Financial Reporting Standard 101 – reduced disclosure exemptions

The Company has taken advantage of the applicable disclosure exemptions permitted by FRS 101 in the financial statements, which are summarised below:

Standard	Disclosure exemption
IFRS 2, Share-based Payments	• para 45(b) – disclosure of number and weighted average exercise price of share options • para 46-49 – disclosure of valuation techniques and inputs used for fair value measurement of options • para 50-52 – disclosure of the effect of share-based payment transactions on the entity's profit and loss for the period.
IFRS 7, Financial Instruments: Disclosures	• Full exemption
IFRS 13, Fair Value Measurement	• para 91-99 – disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities
IAS 1, Presentation of the Financial Statements	• para 10(d) – statement of cash flows • para 10(f) – a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective statement of items in its financial statements, or when it reclassifies items in its financial statements • para 16 – statement of compliance with all IFRS • para 38 – present comparative information in respect of paragraph 79(a)(iv) of IAS 1 • para 38A – requirement for minimum of two primary statements, including cash flow statements • para 38B-D – additional comparative information • para 111 – cash flow statement information • para 134-136 – capital management disclosures
IAS 7, Statement of Cash Flows	• Full exemption
IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors	• para 30-31 – requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective
IAS 24, Related Party Disclosures	• para 17 – key management compensation • The requirements to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
IAS 36, Impairment of Assets	• para 134(d)-134(f) and 135(c)-135(e)

A. Basis of preparation continued

Going concern

The Company financial statements are prepared on a going concern basis as set out in note 1 of the Group consolidated financial statements of Burberry Group plc.

New standards, amendments and interpretations adopted in the period

There are no standards or amendments effective for the first time for the 52 weeks to 28 March 2026 that have a material impact on the financial statements of the Company.

Standards not yet adopted

Certain new accounting standards and amendments to standards have been published that are not yet mandatory for the 52 weeks to 28 March 2026 and have not been early adopted by the Company as set out in note 1 of the Group consolidated financial statements of Burberry Group plc.

B. Accounting policies

The following material accounting policies have been applied in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated:

Share schemes

The Group operates a number of equity-settled share-based compensation schemes under which services are received from employees (including Executive Directors) as consideration for equity instruments of the Company. Instruments used include awards and options. The cost of the share-based incentives is measured with reference to the fair value of the equity instruments awarded at the date of grant. Appropriate option pricing models, including Black-Scholes, are used to determine the fair value of the option awards made.

The fair value takes into account the impact of any market performance conditions, but the impact of non-market performance conditions is not considered in determining the fair value on the date of grant. Vesting conditions which relate to non-market conditions are allowed for in the assumptions used for the number of share awards or options expected to vest. The estimate of the number of options expected to vest is revised at each balance sheet date.

In some circumstances, employees may provide services in advance of the grant date. The grant date fair value is estimated for the purpose of recognising the expense during the period between the service commencement period and the grant date.

The grant by the Company of share awards or options over its equity instruments to employees of subsidiary undertakings in the Group is treated as a capital contribution. In the Company's financial statements, the cost of the share-based incentives is recognised over the vesting period of the awards as an increase in investment in subsidiary undertakings, with a corresponding increase in equity. Where amounts are received from Group companies in relation to equity instruments granted to the employees of the subsidiary undertaking, the amount is derecognised from investments in Group companies.

When share awards or options are exercised, they are settled either via issue of new shares in the Company, or through shares held in the ESOP trusts, depending on the terms and conditions of the relevant scheme. For new shares issued, the proceeds received from the exercise of share options, net of any directly attributable transaction costs, are credited to share capital and share premium accounts. When ESOP shares are used, any difference between the exercise price and their cost is recognised in retained earnings.

Dividend distribution

Dividend distributions to Burberry Group plc's shareholders are recognised as a liability in the year in which the dividend becomes a committed obligation. Final dividends are recognised when they are approved by the shareholders. Interim dividends are recognised when paid.

Investments in subsidiaries

Investments in subsidiaries are stated at cost, less any provisions to reflect impairment in value.

Impairment of investments in subsidiaries

Investments in subsidiaries are not subject to amortisation and are tested annually for impairment. An impairment loss is recognised for the amount by which the carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash generating units). Investments for which an impairment has been previously recognised are reviewed for possible reversal of impairment at each reporting date.

B. Accounting policies continued

Taxation

Tax expense represents the sum of the current tax expense and the deferred tax charge.

Current tax is based on taxable profit for the year. Taxable profit differs from net profit because it excludes items of income or expense which are taxable or deductible in other years and it further excludes items which are never taxable or deductible. The current tax liability is calculated using tax rates which have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised, using the liabilities method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the temporary difference arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences, no deferred tax will be recognised. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Financial instruments

A financial instrument is initially recognised at fair value on the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument. A financial asset is derecognised when the contractual rights to the cash flow expire or substantially all risks and rewards of the asset are transferred. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

At initial recognition, all financial liabilities are stated at fair value. Subsequent to initial recognition, all financial liabilities are stated at amortised cost using the effective interest rate method, except for derivatives which are held at fair value and which are classified as fair value through profit and loss. Financial assets are classified as either amortised cost or fair value through profit and loss depending on their cash flow characteristics. Assets with cash flows that solely represent payments of principal and interest are measured at amortised cost. The fair value of the financial assets and liabilities held at amortised cost approximate their carrying amount due to the use of market interest rates.

The Company classifies its instruments in the following categories:

Financial instrument category	Note	Classification	Measurement
Cash and cash equivalents		Amortised cost	Amortised cost
Trade and other receivables	E	Amortised cost	Amortised cost
Trade and other payables	F	Other financial liabilities	Amortised cost
Borrowings	G	Other financial liabilities	Amortised cost
Equity swap contracts		Fair value through profit and loss	Fair value through profit and loss

The Company's primary categories of financial instruments are listed below:

Cash at bank and in hand

On the Balance Sheet, cash at bank and in hand comprises cash held with banks. Cash at bank and in hand held at amortised cost is subject to impairment testing each period end.

Trade and other receivables

Trade and other receivables are included in current assets. Trade and other receivables with maturities greater than 12 months after the balance sheet date are classified in trade and other receivables amounts falling due after more than one year. The assessment of maturities of loan receivables takes into consideration any intention to renew the loan, where the loan is provided under a facility which has a maturity of more than 12 months from the balance sheet date. Most receivables are held with the objective to collect the contractual cash flows and are therefore initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for the expected loss on receivables is established at inception. This is modified when there is a change in the credit risk. The amount of the movement in the provision is recognised in the Income Statement.

Trade and other payables

Trade and other payables are included in current liabilities, except for maturities greater than 12 months after the balance sheet date. Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

B. Accounting policies continued

Financial instruments continued

Borrowings

Borrowings are initially recognised at fair value, inclusive of transaction costs incurred. Borrowings are subsequently stated at amortised cost and the difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest rate method.

Derivative instruments

The Company uses equity swap contracts to economically hedge its exposure to fluctuations in the Company's share price which impacts the social security costs payable by Group companies in relation to share-based compensation schemes.

The equity swap contracts are initially recognised at fair value at the trade date and classified as fair value through profit and loss. All subsequent changes in fair value are recognised in the Income Statement up to the maturity date.

Cash-settled equity swaps are classified as fair value through profit and loss.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in sterling which is the Company's functional and presentation currency.

Transactions in foreign currencies

Transactions denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are held at the year end, are translated into the functional currency at the exchange rate ruling at the balance sheet date (closing rate). Exchange differences on monetary items are recognised in the Income Statement in the period in which they arise.

Called up share capital

Called up share capital is classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, is deducted from equity attributable to owners of the Company until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is credited to retained earnings up to the value of the consideration originally paid. Any additional consideration received is credited to the share premium account included in equity attributable to owners of the Company.

C. Key sources of estimation uncertainty and judgements

Key sources of estimation uncertainty

Preparation of the financial statements in conformity with FRS 101 requires that management make certain estimates and assumptions that affect the reported revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on management's best estimates at the date of the financial statements, deviate from actual circumstances, the original estimates and assumptions will be updated as appropriate in the period in which the circumstances change.

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the current year, there are no key areas where estimates and assumptions applied have a significant risk of causing a material adjustment to the carrying value of assets and liabilities. Other areas subject to estimation uncertainty are discussed below.

Impairment of investments in subsidiaries

Investments in subsidiaries are not subject to amortisation and are tested annually for impairment. When a review for potential impairment is conducted, the recoverable amount is determined based on the higher of an investment's fair value less costs to sell and value-in-use calculations prepared on the basis of management's assumptions and estimates. Estimates are also applied as to whether or not to reverse certain investment impairments. Management has taken the view that no impairment charge is required for the year, given the Balance Sheet at 28 March 2026, performance during the year and the present value of future cashflows. Refer to note B for further details of the Company's accounting policies in relation to this area. Refer to note D for further details of investments.

C. Key sources of estimation uncertainty and judgements continued

Key judgements in applying the Company's accounting policies

Judgements are those decisions made when applying accounting policies which have a significant impact on the amounts recognised in the Company's financial statements. Further details of the Company's accounting policies are provided in note B. There were no key judgements arising in the current year or prior year that have a significant impact on the amounts recognised in the Company's financial statements for the 52 weeks to 28 March 2026 and 29 March 2025.

D. Investments in subsidiaries

	£m
As at 30 March 2024	1,572
Additions	65
Impairment charges	(7)
As at 29 March 2025	1,630
Additions	20
Impairment charges	–
As at 28 March 2026	1,650

The Company has reviewed the recoverable value of its investments to identify if there is any indication of impairment of the carrying value. Where applicable, the value in use has been estimated using management's best estimates of future cash generation of its investments.

The Company has not impaired the carrying value of its investments as their cash generation in the long-term is considered sufficient to support the carrying value. The subsidiary undertakings and investments of the Burberry Group are listed in note 29 of the Group financial statements.

E. Trade and other receivables

	As at 28 March 2026 £m	As at 29 March 2025 £m
Amounts owed by Group companies	588	622
Prepayments	–	1
Trade and other receivables – amounts falling due after more than one year	588	623
Amounts owed by Group companies	–	300
Prepayments	1	1
Trade and other receivables – amounts falling due within one year	1	301
Total trade and other receivables	589	924

All amounts owed by Group companies are interest bearing and unsecured.

Included within amounts owed by Group companies falling due after more than one year are interest bearing loans receivable of £457 million with a facility maturity date of 20 June 2030, and £131 million with a facility maturity date of 22 February 2029. The interest rates applied to these loans are 5.75% and SONIA +0.9%, respectively.

The Company's impairment policies and the calculation of the loss allowances under IFRS 9 are detailed in note H.

F. Creditors

	As at 28 March 2026 £m	As at 29 March 2025 £m
Amounts owed to Group companies	159	87
Creditors – amounts falling due after more than one year	159	87
	As at 28 March 2026 £m	As at 29 March 2025 £m
Amounts owed to Group companies	7	99
Other payables ¹	7	8
Creditors – amounts falling due within one year	14	107
Total creditors	173	194

1. Other payables comprise interest.

Amounts owed to Group companies falling due after more than one year include interest bearing loans of £159 million (last year: £87 million). The interest rate earned is set annually and was based on SONIA/EURIBOR +0.9% at the most recent update. The loans are unsecured with £93m repayable on 17 June 2029, and £66m repayable on 17 June 2030.

Amounts owed to Group companies falling due within one year include interest bearing loans of £nil (last year: £62 million). The interest rate earned is set annually and was based on EURIBOR + 0.9%. The remaining amounts of £7 million are unsecured, interest free and repayable on demand (last year: £37 million).

G. Borrowings

		As at 28 March 2026		As at 29 March 2025	
	Maturity	Carrying value £m	Fair value £m	Carrying value £m	Fair value £m
1.125% £300m MTN Sustainability-linked bond ¹	Sep 2025	–	–	300	294
5.75% £450m MTN Fixed rate bond ²	Jun 2030	441	450	439	443
Total		441	450	739	737

1. The sustainability bond was repaid in full on 22 September 2025.

2. All movements on the bond were non cash. The Group has entered into interest rate swaps to reduce the level of fixed rate debt in accordance with the Group Treasury Policy, and has entered the swaps into fair value hedge relationships with the bond. Interest on the bond is payable semi-annually. The interest rate swaps are not held in the Company.

The Company has access to the Group's £300 million multi-currency revolving credit facility (RCF) with a syndicate of banks, maturing in November 2027. There were no drawdowns or repayments of the £300 million RCF during the current or prior year, and at 28 March 2026 there were no outstanding drawings.

The Company has access to the Group's £75 million multi-currency RCF with a syndicate of banks, originally maturing in March 2027. During the year, the Group exercised its option to extend the facility by an additional one year to March 2028 with the consent of the syndicate. During the current year, there was a drawdown of £75 million on the £75 million RCF, and at 28 March 2026 the outstanding drawings was £75 million. The £75 million RCF is not held in the Company.

The Company is in compliance with the financial and other covenants within the facilities above and has been in compliance throughout the financial period.

H. Credit risk

The Company's principal financial instruments comprise cash, borrowings, trade and other receivables and trade and other payables arising directly from operations.

Trade and other receivables

The trade and other receivables balance comprises intercompany loans with companies within the Group. These Group companies are assessed at each reporting date as to their ability to repay outstanding balances. The amounts owed by Group companies at 28 March 2026 comprise £588 million owed by Burberry Limited (last year: £922 million owed by Burberry Limited).

The counterparty credit risk of trade and other receivables is reviewed on a regular basis and assessed for impairment as follows:

At inception the receivable is recorded net of expected 12-month credit losses. If a significant increase in the credit risk occurs during the life, credit losses are recorded in the profit and loss account and the effective interest is calculated using the gross carrying amount of the asset. If a loss event occurs, the effective interest is calculated using the amortised cost of the asset net of any credit losses.

The Company's most significant debtor, Burberry Limited, is the holder of the Burberry brand and the main operating company of the Group. Based on its liquidity and expected cash generation, the expected 12-month credit loss for Burberry Limited trade and other receivables is not considered to be significant. As a result, no impairment has been recorded for amounts owed by Group companies as at 28 March 2026.

Other financial assets

With respect to credit risk arising from other financial assets, which comprise cash and certain other receivables, the Company's exposure to credit risk arises from the default of the counterparty with a maximum exposure equal to the carrying value of these instruments. The Company has policies that limit the amount of credit exposure to any financial institution and only deposits funds with independently rated financial institutions with a minimum rating of 'A', other than where required for operational purposes.

I. Called up share capital

Allotted, called up and fully paid share capital	Number	£m
Ordinary shares of 0.05p (last year: 0.05p) each		
As at 29 March 2025	363,816,314	0.2
Allotted on exercise of options during the year	21,092	–
As at 28 March 2026	363,837,406	0.2

The Company has a general authority from shareholders, renewed at each Annual General Meeting, to repurchase a maximum of 10% of its issued share capital. There has been no share buy-back programme in the current period.

As at 28 March 2026, the Company held 2.8 million treasury shares (last year: 4.6 million), with a market value of £29 million (last year: £37 million) based on the share price at the reporting date. The treasury shares held by the Company are related to the share buyback programme completed during the 53 weeks to 2 April 2022. During the 52 weeks to 28 March 2026, 1.8 million treasury shares were transferred to ESOP trusts (last year: 0.6 million). During the 52 weeks to 28 March 2026, no treasury shares were cancelled (last year: none).

The cost of shares purchased by ESOP trusts have been offset against the profit and loss account, as the amounts paid reduce the profits available for distribution by the Company. As at 28 March 2026, the cost of own shares held by ESOP trusts and offset against the profit and loss account is £48 million (last year: £29 million). As at 28 March 2026, the ESOP trusts held 2.8 million shares (last year: 1.7 million) in the Company, with a market value of £29 million (last year: £14 million). In the 52 weeks to 28 March 2026 the Group purchased £5 million of ESOP shares (last year: £nil). In the 52 weeks to 28 March 2026, the ESOP trusts and the Company waived their entitlement to dividends.

J. Dividends

	52 weeks to 28 March 2026 £m	52 weeks to 29 March 2025 £m
Prior year final dividend paid £nil per share (last year: 42.7p)	–	152
Interim dividend paid £nil per share (last year: £nil)	–	–
Total	–	152

The Directors have elected not to declare an interim or final dividend in respect of the 52 weeks to 28 March 2026 (last year: £nil).

No dividends were paid during the 52 weeks to 28 March 2026 in relation to the 52 weeks to 29 March 2025. A dividend of 42.7p per share was paid during the 52 weeks to 29 March 2025 in relation to the 52 weeks to 30 March 2024.

K. Financial guarantees

The companies acting as guarantor to the facilities described in note G consist of Burberry Group plc, Burberry Limited, Burberry Asia Limited, Burberry (Wholesale) Limited (US) and Burberry Limited (US). Based on the liquidity and expected cash generation of Burberry Limited, the expected credit loss in respect of these financial guarantees, as at 28 March 2026, is not considered to be significant. As a result, no liability has been recorded (last year: £nil).

A potential liability may arise in the future if one of the Group members defaults on these loan facilities. Each guarantor, including Burberry Group plc, would be liable to cover the amounts outstanding, including principal and interest elements.

L. Audit fees

The Company has incurred audit fees of £0.1 million for the current year which are borne by Burberry Limited (last year: £0.1 million).

M. Employee costs

The Company has no employees and therefore no employee costs are included in these financial statements for the 52 weeks to 28 March 2026 (last year: £nil).

SHAREHOLDER INFORMATION

General shareholder enquiries

Enquiries relating to shareholdings, such as the transfer of Shares, change of name or address, lost share certificates or dividend cheques, should be referred to the Company's registrar at:

Equiniti, Highdown House, Yeoman Way, Worthing BN99 6DA
Website: www.shareview.co.uk
Telephone: +44 (0) 371 384 2839

Managing your shares online

Shareholders and employees can manage their Burberry holdings online by registering with Shareview, a secure online platform provided by Equiniti. Registering is simple and offers a range of benefits, allowing shareholders to:

- Access shareholding information: view your share balance and dividend history and key shareholder details in real time
- Opt for electronic communications: receive shareholder updates, reports and notifications quickly and securely via email
- Buy and sell shares conveniently through the Equiniti share dealing service
- Update personal details: easily update your address, contact information or banking details to ensure smooth communication and dividend payments
- Secure dividend payments: option to have dividends paid directly into your bank account, avoiding lost or outdated cheques
- Vote in advance of general meetings: participate in Company decisions by submitting your vote by proxy online in advance

Burberry encourages all shareholders to register for electronic communications, enabling faster and more efficient information sharing while also contributing to environmental sustainability by reducing paper usage, which makes a valuable contribution to reducing our global footprint.

Register at www.shareview.co.uk

American Depositary Receipts

We have a sponsored Level 1 American Depositary Receipt (ADR) programme to enable US investors to purchase ADRs in US dollars. Each ADR represents one Burberry ordinary share.

For queries relating to ADRs in Burberry, please use the following contact details:

Bank of New York Mellon, Shareholder Correspondence
P.O. BOX 43006 Providence, RI 02940-3078, USA
Tel: toll free within the USA: +1 888 269 2377
Tel: international: +1 201 680 6825
Email enquiries: shrrelations@cpushareownerservices.com
Website: www.mybnymdr.com

Website

The investors section of Burberry Group plc's website, Burberryplc.com, contains a wide range of information including:

- Regulatory news
- Share price information
- Dividend history, share analysis and an investment calculator
- Financial results announcements
- Frequently asked questions
- Financial calendar

It is also possible to sign up to receive email alerts for RNS news and press releases relating to Burberry Group plc at www.burberryplc.com/alerts.

Duplicate accounts

Shareholders who have more than one account due to inconsistencies in account details may avoid duplicate mailings by contacting Equiniti and requesting the amalgamation of their Burberry share accounts.

Burberry share dealing

Burberry shares can be traded through most banks, building societies or stockbrokers. Equiniti offers a telephone and internet dealing service. Terms and conditions and details of commission charges are available on request.

For telephone dealing, please telephone 0345 603 7037 between 8:00am and 4:30pm, Monday to Friday, and for internet dealing visit www.shareview.co.uk/dealing.

Shareholders will need their reference number, which can be found on their Burberry share certificate.

Annual General Meeting (AGM)

Our AGM will be held at 10:30am on Wednesday 15 July 2026 at Burberry's headquarters at Horseferry House, Horseferry Road, London SW1P 2AW. The Notice of Meeting, which includes details of the business to be conducted at the meeting, is available on our Company website, Burberryplc.com.

The voting results for the 2026 AGM will also be accessible on Burberryplc.com shortly after the meeting.

Our Shareholder Privacy Notice

Please see the Shareholder Privacy Notice on <https://www.burberryplc.com/en/investors/shareholder-centre/shareholder-privacy-notice.html> for details on how Burberry collects and uses shareholders' personal information.

Dividend information

The ADR local payment date is approximately five business days after the proposed dividend payment date for ordinary shareholders.

Dividends can be paid by BACS directly into a UK bank account, with the dividend confirmation being sent to the shareholder's address. This is the easiest way for shareholders to receive dividend payments and avoids the risk of lost or out-of-date cheques. A dividend mandate form is available from Equiniti or online at www.shareview.co.uk/info/directdividends.

If you are a UK taxpayer, please note that you are eligible for a tax-free dividend allowance in each tax year (£500 in the tax year from 6 April 2026 to 5 April 2027). Any dividends received above this amount will be subject to taxation. Dividends paid on Burberry shares held within pensions and Individual Savings Accounts (ISAs) will continue to be tax-free. Further information can be found at www.gov.uk/tax-on-dividends.

Dividends payable in foreign currencies

Equiniti is able to pay dividends to shareholder bank accounts in over 90 countries worldwide through the Overseas Payment Service. An administrative fee will be deducted from each dividend payment. Further details can be obtained from Equiniti or online at www.shareview.co.uk/info/ops.

Dividend Reinvestment Plan (DRIP)

The DRIP enables shareholders to use their dividends to buy further Burberry shares. Full details of the DRIP can be obtained from Equiniti or online at www.shareview.co.uk/4/Info/Portfolio/Default/en/Home/Shareholders/Pages/ReinvestDividends.aspx.

Electronic communication

Shareholders may at any time choose to receive all shareholder documentation in electronic form via the internet, rather than in paper format. Shareholders who decide to register for this option will receive an email each time a shareholder document is published on the internet. Shareholders who wish to receive documentation in electronic form should register online at www.shareview.co.uk.

Equiniti offers a range of shareholder information and services online at www.shareview.co.uk.

Financial calendar

AGM:	15 July 2026
First quarter trading update:	17 July 2026
Interim results announcement:	November 2026
Third quarter trading update:	January 2027
Preliminary results announcement:	May 2027

Registered office

Burberry Group plc
Horseferry House
Horseferry Road
London SW1P 2AW
Registered in England and Wales
Registered number 03458224

ShareGift

Shareholders with a small number of shares, the value of which makes them uneconomical to sell, may wish to consider donating their shares to charity through ShareGift, a donation scheme operated by The Orr Mackintosh Foundation. A ShareGift donation form can be obtained from Equiniti. Further information is available at www.sharegift.org or by telephone on 020 7930 3737.

Tips on protecting your information

- Keep any documentation that contains your shareholder reference number in a safe place and shred any unwanted documentation
- Inform our registrar, Equiniti, promptly when you change address
- Be aware of dividend payment dates and contact Equiniti if you do not receive your dividend cheque or, better still, make arrangements to have the dividend paid directly into your bank account
- Consider holding your shares electronically in a CREST account via a nominee

Unauthorised brokers (boiler room scams)

Shareholders are advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports. These are typically from overseas-based 'brokers' who target UK shareholders, offering to sell them what often turn out to be worthless or high-risk shares. These operations are commonly known as boiler rooms. If you receive any unsolicited investment advice, obtain the correct name of the person and organisation, and check that they are properly authorised by the Financial Conduct Authority (FCA) before getting involved. This can be done by visiting www.fca.org.uk/register/.

If you deal with an unauthorised firm, you will not be eligible to receive payment under the Financial Services Compensation Scheme if things go wrong. If you think you have been approached by an unauthorised firm, you should contact the FCA consumer helpline on 0800 111 6768 from the UK, or +44 20 7066 1000 from outside the UK. More detailed information can be found on the FCA website at www.fca.org.uk/consumers/protect-yourself/unauthorised-firms.



The report is printed in the UK by Pureprint, a certified Carbon Neutral company. Pages 1–252 are produced using Revive 100% Offset, while the cover is printed on Mohawk Options 100% PC White Smooth. Both selected materials are made from 100% post-consumer waste, reinforcing our commitment to environmental sustainability. The manufacturing mills and printer are registered under the Environmental Management System ISO14001 and are Forest Stewardship Council® (FSC®) chain-of-custody certified ensuring responsible sourcing and sustainable production.

Disclaimer: The purpose of this Annual Report is to provide information to the members of Burberry Group plc. This document contains certain statements with respect to the operations, performance and financial condition of the Group, including among other things, statements about expected revenues, margins, earnings per share or other financial or other measures. Forward-looking statements appear in a number of places throughout this document and include statements regarding our intentions, beliefs or current expectations and those of our officers, Directors and employees concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies, the business we operate and climate change, nature, circular economy and broader sustainability-related targets and activities. Forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as “aim”, “believe”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “outlook”, “plan”, “target”, “will” and similar words and expressions. These statements inherently involve uncertainty and are subject to a number of risks since future events and circumstances can cause actual results and developments to differ materially from those anticipated and may not entirely be within our control. These uncertainties and risks include, without limitation: changes in global, political, economic, business, competitive and market forces or conditions, or in foreign exchange and interest rates; changes in environmental, geopolitical, social or physical risks; legal, regulatory and policy developments, including climate and sustainability-related standards, interpretations and regulatory measures; the impacts of climate change and sustainability-related issues; risks arising out of health crises and pandemics; risks of cyberattacks and IT incidents; changes in tax rates or policy; changes in global consumer demand; future business combinations or dispositions; and other factors specific to the Group, including those described in the Risk and Viability Report on pages 95 to 105 of this Annual Report. Readers should not place undue reliance on forward-looking statements. The forward-looking statements reflect knowledge and information available at the date of the particular statement and unless otherwise required by applicable law the Company undertakes no obligation to update or revise these forward-looking statements.

Nothing in this document should be construed as a profit forecast or as implying that the earnings of the Group for the current year or future years will necessarily match or exceed historical or published earnings of the Group. Past performance cannot be relied on as a guide to future performance.

All members, wherever located, should consult any additional disclosures that the Company may make in any regulatory announcements or documents which it publishes. References to the Burberry website or to other websites in this document are included for convenience only and, unless expressly stated otherwise, information on those websites is not incorporated into, and does not form part of, this document. The Company and its Directors accept no liability to third parties in respect of this document save as would arise under the law of England and Wales. This document does not constitute an offer, invitation, solicitation, advice or recommendation to buy, sell, underwrite, subscribe for or otherwise acquire or dispose of any securities or financial instruments, including Burberry Group plc shares, in the UK, the USA, or any other jurisdiction, including under the US Securities Act 1933, as amended.



www.Burberryplc.com