

STRONG PROGRESS TO ACHIEVE OUR AMBITIONS



Dear Shareholder,

It has been a challenging year. Since our CEO Jonathan Akeroyd laid out his strategy to realise Burberry's potential as the Modern British Luxury brand, there has been a slowdown in luxury demand globally that has impacted our FY 2023/24 financial results and made it harder to achieve our ambitions as quickly as we would have liked.

Jonathan sets out in the following pages the progress made in FY 2023/24 and his plans to adapt and evolve Burberry's creative expression, collections and customer experience to reflect market conditions and our own recent learnings. The Board remains confident that Burberry's strategic direction is right and that Jonathan and our executive team have the talent, energy and plans in place to deliver Modern British Luxury for all of our stakeholders.

Governance and Board matters

In the context of a more challenging macroeconomic environment the Board is mindful, more than ever, of the need to operate within a robust governance framework. During the year, I have spoken to investors on a variety of topics, including strategy, capital allocation, board composition and environmental and social matters. We have concentrated on improving our governance disclosures within this Annual Report and I look forward to continued engagement with shareholders in the coming year.

There have been a number of Board changes during FY 2023/24. On behalf of the Board, I would like to thank Matthew Key, who retired from the Board on 12 July 2023, for his service to Burberry, including as Audit Committee Chair. We welcomed Kate Ferry, who joined the Board as Chief Financial Officer on 17 July 2023. Kate joined us from McLaren Group where, as Chief Financial Officer, she oversaw financial strategy and investor relations.

It was also my pleasure to welcome Alessandra Cozzani who joined the Board as an independent Non-Executive Director on 1 September 2023. Alessandra previously served as Chief Financial Officer of Prada Group SpA and her financial and luxury fashion expertise make her a valued addition to our Board. Further information on Board recruitment and the induction processes for Kate and Alessandra is provided in the Nomination Committee Report on pages 113 to 117.

Finally, Debra Lee will retire as a Non-Executive Director following the 2024 Annual General Meeting (AGM). Since joining the Board in October 2019, Debra's insights and wise counsel have helped influence how we do business. On behalf of the Board, I thank her for her valuable contribution to Burberry.

Shareholder returns

During FY 2023/24, we undertook a £400 million share buyback programme and paid dividends of £233 million.

In accordance with our established Capital Allocation Framework and progressive dividend policy, the Directors are pleased to recommend a final dividend of 42.7p per ordinary share, making the full year dividend 61.0p, subject to approval at the 2024 AGM. This is consistent with FY 2022/23, representing a pay-out ratio of 83%, and reflects the Board's continued confidence in Burberry's future growth, notwithstanding current trading challenges.

“The Board remains confident that Burberry’s strategic direction is right and that Jonathan and our executive team have the talent, energy and plans in place to deliver Modern British Luxury for all of our stakeholders.”

Looking ahead

As custodians of this extraordinary 168-year-old British brand, we are committed to continuing to build on our founder Thomas Burberry’s legacy. We are harnessing creativity to drive responsible growth so that future generations can look back and be proud of the steps we are taking to drive long-term sustainable value, while making a positive contribution to our people, our communities and our planet. Further information on our Burberry Beyond sustainability strategy can be found on pages 35 to 62.

With a shared vision of what it means to be the Modern British Luxury brand, our colleagues across the world are building a rich and exciting future for Burberry. I would like to thank them for their passion and commitment over the past year. I would also like to thank the Board and our shareholders for their continued support.

Gerry Murphy
Chair