

CONTEXT

In accordance with our Code of Ethics (the “Code” which can be found on this website), Benetton (Benetton Group Srl) and its affiliates (“Benetton Group”) respect and comply with the laws of the various countries where our company operates both with regard to our taxation obligations.

The publication of this UK Tax Strategy statement is regarded as satisfying the statutory obligation under Schedule 19, Finance Act 2016. Benetton UK refers to Benetton Retail UK (vat number GB196089560).

BENETTON’S UK TAX STRATEGY

The Benetton’s UK Tax Strategy comprises of 4 key components:

Approach to risk management and governance arrangements in relation to UK taxation

Responsibility for the global tax strategy and governance ultimately sits with Benetton Group Board of Directors. Day to day responsibility is held by the Tax Director who is supported by internal and external experts.

Benetton is committed to compliance with UK tax laws, regulations and practices. Consistent with the Code Benetton UK aims to operate in full compliance with UK tax laws and regulations, including the timely filing of all required tax returns, reports and disclosures, paying the appropriate amount of UK direct and indirect taxes, levies and duties at the required time and the maintenance of required records and documentation supporting all UK tax return filings and payments.

In relation to cross-border transactions, Benetton applies the OECD standard and ensures that the transfer pricing policies implemented respect the “arm’s length principle”.

Attitude of the business towards tax planning (so far as affecting UK taxation)

Where relevant, tax planning for UK transactions is undertaken while ensuring compliance with the applicable UK tax laws and regulations and consistency with the underlying economic substance and the business purpose of the transactions. External advisors are relied upon to ensure that tax planning for material or complex UK transactions reflects a proper technical and reasonable interpretation of the applicable UK tax laws and regulations.

Level of risk in relation to UK taxation that the business is prepared to accept

Benetton UK exercises reasonable care and due diligence with the objective of minimizing potential UK tax risk with respect to compliance and planning issues. Benetton UK therefore has a low tax risk tolerance in the UK. Depending on the complexity and/or the materiality of a transaction or compliance issue, external advice and support is sought from qualified external advisors in order to eliminate or minimize any UK tax risks that might

arise in connection with a UK transaction or UK compliance issue where there is a question regarding the proper interpretation or application of any UK tax law or regulation.

Approach of the business towards its dealings with HM Revenue & Customs (HMRC)

Benetton UK is convinced that increased transparency towards tax administrations will ultimately contribute to reduce unfair competition and hence benefit our business.

Benetton UK seeks to have a transparent and constructive relationship with HM Revenue & Customs.

This strategy is effective for the year ending December 31, 2017.