

BENETTON GROUP DOUBLES COMPENSATION FOR RANA PLAZA TRUST FUND RECOMMENDED BY INDEPENDENT ASSESSORS

THEREFORE THE TOTAL CONTRIBUTION TO RANA PLAZA VICTIMS AMOUNTS TO USD 1,600,000

BENETTON COMMITS ON FACTORY STANDARDS BY APPLYING THE PRINCIPLES OF THE ACCORD ON FIRE AND BUILDING SAFETY TO GLOBAL SUPPLIERS

17 April 2015. Benetton Group announces that it has contributed USD 1,100,000 to the Rana Plaza Trust Fund, doubling the sum recommended in an independent assessment of its contribution by PwC and endorsed by WRAP, an NGO focused on social compliance through global supply chains.

In fact Benetton's payment of USD 1,100,000 follows a previous payment of USD 500,000 made through BRAC, before the Rana Plaza Trust Fund was established.

UNITED COLORS
OF BENETTON.

This coincides with a commitment from Benetton to raise working conditions and living standards for workers in the international garment industry via several "people first" sustainability initiatives rolling out across its global supply chain. Benetton will progressively apply the principles of the Accord on Fire and Building Safety in Bangladesh to its producers in other global markets.

*"We welcome the PwC report and WRAP's contribution. We have decided to go further to demonstrate very clearly how deeply we care," said **Marco Airoidi, CEO of Benetton Group**. "Whilst there is no real redress for the tragic loss of life we hope that this robust and clear mechanism for calculating compensation could be used more widely. For this reason, we decided to make the PwC report publicly available to all stakeholders".*

"Benetton has a proud history of social commitment. We believe that by working closely with the right suppliers we can help to improve factory conditions for workers in Bangladesh and in many other parts of the world," he added.

Benetton was one of 29 brands connected to companies operating in the Rana Plaza building. PwC based its report on an assessment from the International Labour Organisation that in total USD 30 million compensation should be paid into the Rana Plaza Trust Fund. PwC calculates Benetton Group's contribution to be USD 550,000 based on the level of its commercial association with the Rana Plaza.

However PwC has not factored in contributions from other third parties, such as the Bangladesh government and the Bangladesh Garment Manufacturers Exporters Association, unions and others. This means that, if its mechanism were followed by all brands operating at the Rana Plaza, after payments from other third parties the total fund could significantly exceed USD 30 million.

"Based on Benetton's commercial association with Rana Plaza, we believe this is a fair basis to calculate payments to the Rana Plaza Trust Fund as quantified by ILO" said **Sudhir Singh Dungarpur, Partner PwC India.**

"With a tragedy of this scale, no financial compensation can ever really be enough, but we welcome Benetton's decision to pay more than its calculated share of the fund based on the report published by PwC," said **Avedis Seferian, President and CEO of WRAP.** *"If everyone took the same approach as Benetton, the overall fund could more than exceed its stated goals".*

Benetton was one of the first signatories of the Accord on Fire and Building Safety, which has improved factory safety in Bangladesh in the wake of the Rana Plaza disaster. Now, in addition to applying the Accord globally, the company plans to work with its suppliers to raise workers' living standards.

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