

Responsible Tax Strategy

Benetton Group fully commits to act in accordance with all international tax and regulations and to fulfil any tax obligations arising from its business activities. Additionally, the Group is not following any artificial structures solely to save taxes with these.

It is key for Benetton Group to pay the right portion of its pre-tax profit to tax administrations in the respective countries. Paying tax is accepted as a general and ethical business principle, complying with the letter and the spirit of the law. In defining its tax strategy, Benetton Group takes fully into account the economic and social impacts related to the approach.

The Director of the Tax Department, with the support of the Administration and Financial Statements Department, carries out a systematic study of the tax legislation for Italian companies, while the CFOs of foreign companies, with the assistance of local tax advisors, take care of local tax compliance. In particular, the following activities are performed: - analysis and interpretation of local tax regulations and assessment of their applicability to the Group; - information and updating (follow-up) on national, local and international taxes and duties; - calculation of the tax impact deriving from the business actions.

The tax calculation process is accurately documented, and it is subjected to formal check systems on the consistency of the data entered and the completeness and formal correctness of the declaration.

The Tax Department and the local CFOs of each subsidiaries verify and guarantee that the transmission of the tax return takes place in compliance with the times and methods provided for by law in each country where Benetton Group operates.

Periodically, the Internal audit reviews the Tax Department's compliance with the tax governance and control framework.

Stakeholders can report concerns about unethical or unlawful behaviour, or about activities that compromise the organization's integrity in relation to tax through whistleblowing procedure: the reports can be sent to audit.commitee@benetton.it.