



Kering Group Tax Policy

March 2021

Approved by the Audit Committee of the Board of Directors

K E R I N G





As a global Luxury group, Kering manages the development of a series of renowned Houses in Fashion, Leather Goods, Jewelry, and Watches: Gucci, Saint Laurent, Bottega Veneta, Alexander McQueen, Balenciaga, Brioni, Boucheron, Pomellato, Dodo, Qeelin, Girard-Perregaux, Ulysse Nardin and Kering Eyewear.

Kering's emblem, the owl, embodies **wisdom, protection, and vision**, which are three leading principles of the Group's management model and tax policy.

Kering SA and all Group entities worldwide, in line with its Code of Ethics, are guided by **wisdom** and comply with applicable national tax laws and international standards.

Kering ensures the **protection** of the tax basis in the Jurisdictions where the Group creates value within the normal course of its commercial activity and does not use aggressive or artificial tax schemes to reduce its tax liabilities.

In accordance with its sustainable development strategy, Kering has a long-term **vision**, and is firmly convinced that paying tax is essential for the global economy, the maintenance of social cohesion and the environment. Kering is committed to ensuring that all Group entities pay all taxes due in each country where they operate.

Kering's tax policy is based on the following pillars:

- Kering's Tax Department is strongly committed to the promotion of the Group's tax policy, whose principles are defined above, to prevent tax risks and to ensure tax compliance across the Group.
- The Tax Department is composed of highly skilled experts, who regularly attend training courses to improve and update their knowledge so as to be able to identify and understand any tax-related problematics faced by the Group.
- Kering does not use so-called 'tax havens' to avoid taxes due on activities which take place elsewhere. Group entities which are based in low-tax jurisdictions exist for pure commercial reasons.
- The Group complies with the applicable national laws and international standards on transfer pricing; in that respect, its intercompany transactions follow the arm's-length principle. The Group prepares and updates its transfer pricing documentation as often as necessary, including benchmarking studies of comparable transactions, as well as relevant functions and risks analyses.
- Kering's intention is to develop a transparent, respectful and long-lasting relationship with local Tax Authorities. Thus, the Group is committed to maintaining a trusting and cooperative approach with the Tax Authorities, so that both parties be involved in proactive, positive, and open discussions.
- Kering contributes to tax-related debates handled by professional bodies and international organisations, such as the Organisation for Economic Co-operation and Development (OECD).

In the normal course of its business, Kering may have a different point of view as well as understanding of facts or interpretation of regulation than that of the Tax Authorities, given



the complexity of tax matters. In such cases, Kering would seek to solve any pending issues with the Tax Authorities, in a transparent and cooperative manner.

This tax policy has been set out at the level of Kering SA, which is the Group's Parent Company based in France. It has been brought to the Audit Committee's attention and approved by the latter.

This policy applies to corporate income tax as well as any other taxes and contributions paid in the Jurisdictions where the Kering Group operates.
