“REGISTER OF INSIDERS” REGULATIONS

UNITED COLORS OF BENETTON.
INTRODUCTION

The Regulations of the “Register of Insiders” (“the Regulations”) have been adopted by Benetton Group S.p.A. (“Benetton” or the “Company”) in compliance with the provisions of article 115-bis of Italy’s Consolidated Law on Finance and by articles 152-bis through 152-quinquies of the CONSOB Regulations for issuers. The Regulations also apply to subsidiaries of Benetton (“Benetton Group”).

The Regulations set forth the procedures for creating, maintaining and updating the Register of Insiders.

SECTION 1   DEFINITIONS

1.1 Definition of “Register of Insiders”.

The “Register of Insiders” is defined as the register of persons who, by virtue of their employment or profession or duties carried out on behalf of Benetton, have access to Price Sensitive Information, as defined in article 114, paragraph 1 and article 181 of Italy’s Consolidated Law on Finance.

1.2 Definition of “Price Sensitive Information”.

“Price Sensitive Information” is defined for the purposes of law and these Regulations as precise information which has not been made public relating directly or indirectly to Benetton or the Benetton stock which, if made public, would be likely to have a significant effect on the share price.

Information is regarded as precise if:

a) it refers to a set of circumstances which exists or may reasonably be expected to come into existence or an event which has occurred or may reasonably be expected to occur;

b) it is specific enough to enable a conclusion to be drawn as to the possible effect of the set of circumstances or event referred to in subparagraph a) on the Benetton share price.

Information which, if made public, would be likely to have a significant effect on the Benetton share price, means information that a reasonable investor would be likely to use as part of the basis of his investment decisions.
SECTION 2   REGISTER CONTENTS AND STRUCTURE

2.1 Register contents

The Register of Insiders contains the following information:

a) the identity of every person who has permanent or occasional access to Price Sensitive Information;
b) the reason why the person has been entered in the Register, with details of the information to which they have access;
c) the date on which the person was entered in the Register;
d) the date of every revision relating to each person.

The Register shall be immediately updated when:

a) the reason for the person’s original entry changes;
b) a new person needs to be entered in the Register;
c) a person entered in the Register no longer has access to Price Sensitive Information or the type of information to which they have access changes.

The details of persons entered in the Register are retained for at least five years from the date when the circumstances giving rising to their original entry or revision no longer apply.

2.2 Register structure

The Register is divided into two sections:

2.2.1 Permanent section

The following persons shall be entered in this section:

a) the Directors of Benetton;
b) the standing Statutory Auditors of Benetton;
c) the Secretary to the Benetton Board of Directors;
d) the External Auditors;

e) directors and statutory auditors of subsidiaries of Benetton;
f) employees of Benetton or its subsidiaries.
2.2.2 Occasional section

The following persons shall be entered in this section if, by virtue of their employment or profession, have access to Price Sensitive Information on an occasional basis:

a) directors and statutory auditors of subsidiaries of Benetton;
b) employees of Benetton or its subsidiaries;
c) consultants, either natural persons or companies, who provide their professional services to the Company or the Group.

2.2.3 Persons under Article 2.2.1 subparagraphs e) and f) and Article 2.2.2 who are identified in accordance with the procedures set out in Section 3 below.

SECTION 3 PROCEDURES FOR IDENTIFYING INSIDERS

The Persons specified in Article 2.2.3 are identified and entered in the Register using the following three-step process:

3.1 Step one

Corporate Affairs shall send:

a) a letter to Human Resources, copied to the Chief Executive Officer - a template for which can be found in Appendix A to these Regulations - containing a request to identify and formally communicate the company functions, and related heads of department, who report hierarchically and functionally directly to the Chief Executive Officer (“First-Tier Reports”); these persons are presumed to have permanent access to Price Sensitive Information.

b) a letter to the Chief Executive Officer - a template for which can be found in Appendix B to these Regulations - requesting formal communication of the names of:
   - the subsidiaries of Benetton whose activities entail the need/possibility that the related directors and statutory auditors might learn Price Sensitive Information, stating whether on a permanent or occasional basis;
   - consultants of the Group, falling under Article 2.2.2 subparagraph c), whose services are not provided directly to specific company departments, specifying the nature of the services and the type of information concerned;
   - any direct collaborators who may have access to Price Sensitive Information, specifying what kind of information is concerned, the reason for accessing the same and whether the access occurs on a permanent or occasional basis.
These letters also contain a request for ongoing and prompt communication of any changes in the lists originally notified.

3.2 Step two

Corporate Affairs shall send First-Tier Reports, as identified in article 3.1 subparagraph a) above, a letter - a template for which can be found in Appendix C to these Regulations - requesting them to identify and formally communicate:

- the names of employees falling under Article 2.2.1 subparagraph f) and Article 2.2.2 subparagraph b) who, within their respective departments, or within the departments which report hierarchically and functionally to the same, have access to Price Sensitive Information, specifying to what kind of information they have access, why and if on a permanent or occasional basis;

- the names of consultants falling under Article 2.2.2 subparagraph c) who provide their services within the respective departments, or within the departments which report hierarchically and functionally to the same, and have access to Price Sensitive Information, specifying to what kind of information they have access and why.

This letter also contains a request for ongoing and prompt communication of any changes in the lists and information originally notified.

3.3 Step three

Based on the information received from Human Resources, from the Chief Executive Officer and the First-Tier Reports, Corporate Affairs shall enter the related names and details in the Register and update it accordingly in compliance with these Regulations.
4.1 The Register shall be set up under the charge of the Benetton Corporate Affairs department, which oversees its implementation and maintenance in compliance with the provisions of these Regulations.

4.2 Corporate Affairs shall advise the persons entered in the Register of:

- their entry in the Register;
- the updates in their regard;
- their cancellation from the Register;
- the obligations arising from their access to Price Sensitive Information and the penalties for abusing Price Sensitive Information and for market manipulation (offences envisaged by Title I-bis of Part V of Italy’s Consolidated Law on Finance) or for the unauthorized disclosure of Price Sensitive Information.
APPENDICES

A LETTER FROM CORPORATE AFFAIRS TO HUMAN RESOURCES

B LETTER FROM CORPORATE AFFAIRS TO THE CHIEF EXECUTIVE OFFICER

C LETTER FROM CORPORATE AFFAIRS TO FIRST-TIER REPORTS
TO: Human Resources

CC: Chief Executive Officer

In execution of the Register of Insiders Regulations, enclosed with this letter, adopted by Benetton Group S.p.A. in accordance with article 115-bis of Italy’s Consolidated Law on Finance and articles 152-bis through 152-quinquies of the CONSOB Regulations for issuers,

you are kindly requested to send a written notice to Corporate Affairs containing:

1) details of the company departments, and the names of the managers in charge of these departments, who report hierarchically and functionally directly to the Chief Executive Officer;1

2) ongoing and prompt details of any subsequent changes in the information in subparagraph 1) both from an organizational point of view (departments/functions involved) and from a subjective point of view (persons in charge);1

In accordance with the stated law the undersigned Department will:

- enter the names of the managers in charge of these departments in the “Permanent Section” of the Register of Insiders;
- inform these persons that their names have been entered in the Register, the reasons why and the consequences if they breach the rules relating to the disclosure and use of Price Sensitive Information;
- update the Register of Insiders with the latest information communicated by yourselves.

Please do not hesitate to contact us for any further information or explanations in this regard.

Thanking you in advance for your assistance.

Yours faithfully,

Corporate Affairs

Enc.

1 The “Request for entry in the Register of Insiders” (appendix II to this letter) may be used for the purposes of the notices under subparagraphs 1) and 2).
APPENDIX B

LETTER FROM CORPORATE AFFAIRS TO THE CHIEF EXECUTIVE OFFICER

TO: Chief Executive Officer

In execution of the Register of Insiders Regulations, enclosed with this letter, adopted by Benetton Group S.p.A. in accordance with article 115-bis of Italy’s Consolidated Law on Finance and articles 152-bis through 152-quinquies of the CONSOB Regulations for issuers, you are kindly requested to send a written notice to Corporate Affairs containing:

1) details of the subsidiaries of Benetton Group S.p.A. whose activities entail the need/possibility that the related directors and statutory auditors might learn Price Sensitive Information, as defined in the enclosed Register of Insider Regulations, specifying to what kind of information they have access, why and if on a permanent or occasional basis;
2) the names of the Group’s consultants whose services are not provided directly to specific company departments, specifying the nature of the services and the type of information concerned;
3) the names of any direct collaborators who may have access to Price Sensitive Information, specifying to what kind of information they have access, why and if on a permanent or occasional basis;
4) ongoing and prompt details of any subsequent changes in the information communicated under subparagraphs 1), 2) and 3);

In accordance with the stated law the undersigned Department will:
- enter the names of the directors and statutory auditors, as identified above, in the Register of Insiders, either in the “Permanent Section” or the “Occasional Section” depending on the circumstances for persons identified in subparagraph 1) above, and in the “Occasional Section” for persons identified in subparagraph 2) above;
- inform these persons that their names have been entered in the Register, the reasons why and the consequences if they breach the rules relating to the disclosure and use of Price Sensitive Information;
- update the Register of Insiders with the latest information received.

Please do not hesitate to contact us for any further information or explanations in this regard.

Thanking you in advance for your assistance.

Yours faithfully,

Corporate Affairs

Enc.

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1 The “Request for entry in the Register of Insiders” (appendix II to this letter) may be used for the purposes of the notices and related updates under subparagraphs 2) and 3).
TO: ..........(First-Tier Reports of the Chief Executive Officer)

In execution of the Register of Insiders Regulations, enclosed with this letter, adopted by Benetton Group S.p.A. in accordance with article 115-bis of Italy’s Consolidated Law on Finance and articles 152-bis through 152-quinquies of the CONSOB Regulations for issuers, you are kindly requested to send a written notice to the Corporate Affairs containing:

1) the names of the employees in the Department under your charge, or in the departments which report hierarchically and functionally to you, who have access to Price Sensitive Information, as defined in the Register of Insiders Regulations, specifying to what kind of information they have access, why and if on a permanent or occasional basis;

2) the names of the consultants who provide their services to the above company departments at the date of receiving this letter and have access to Price Sensitive Information, as defined in the enclosed Register of Insiders Regulations, specifying to what kind of information they have access and why;

3) ongoing and prompt details of any subsequent changes in the information communicated under subparagraphs 1) and 2);

In accordance with the stated law the undersigned Department will:

- enter the names of the persons identified above in the Register of Insiders in the “Permanent Section” or “Occasional Section” for those defined in subparagraph 1) and in the “Occasional Section” for those falling under subparagraph 2);
- inform these persons that their names have been entered in the Register, the reasons why and the consequences if they breach the rules relating to the disclosure and use of Price Sensitive Information;
- update the Register of Insiders with the latest information received.

Please do not hesitate to contact us for any further information or explanations in this regard.

Thanking you in advance for your assistance.

Yours faithfully,

Corporate Affairs

Enc.

The “Request for entry in the Register of Insiders” (appendix II to this letter) may be used for the purposes of the notices and related updates required under subparagraphs 1) and 2).