

The following correspondence was received by way of e-mail on April 18, 2014 in reply to a Human Rights Watch letter faxed on April 4, 2014.

Dear Mr. Adams,

Thank you for your letter, requesting information on the actions that Benetton Group has undertaken in support of the victims of the Rana Plaza tragedy and their families.

We appreciate that Human Rights Watch is willing to give visibility also to the position of the brands in the upcoming report marking the first anniversary of the collapse. We would also like to take this opportunity of dialogue with HRW to further clarify Benetton Group's engagement in Bangladesh .

To begin with, our presence in the country is in fact very limited, especially if compared with that of other brands. In 2013, Benetton Group's sourcing out of Bangladesh accounted for only approximately 100 million USD in value, which is equal to 0.5% of the total textile exports of the country. In line with this, Benetton Group's presence on the ground consists only of a small team of 40 people. Specifically with respect to New Wave, one of the manufacturers housed in the Rana Plaza building, it had only received occasional orders from Benetton Group, amounting to 0.06% of our overall production in 2013.

Notwithstanding our extremely limited presence in Bangladesh, we decided to continue to operate in that country even after these tragic events so that we could contribute to finding real and lasting solutions to the problems of the local garment sector. To this end, Benetton Group was one of the first signatories to the Bangladesh Accord on Fire and Building Safety when it was launched in May 2013, immediately joining forces with other companies and key sector stakeholders in a proactive effort to improve safety and workers' conditions in the textile supply chains.

As for the victims of Rana Plaza, soon after the collapse, our Company decided to take immediate action in their support and that of their families by entering in a partnership with BRAC which, as you know, is one of the most credible and strongly rooted NGO's both in Bangladesh as well as at the global level. BRAC has been in the frontlines for Rana Plaza victims from day one: partnering with them therefore gave us the opportunity to operate directly in support of the victims and in a short time, addressing their most immediate medical as well as other needs, including those of their families.

The Benetton/BRAC partnership was launched in May 2013 and, as of now, the project with BRAC involves a total of 350 beneficiaries through two phases:

- Phase 1, providing functional prosthetic upper limbs to a number of recipients, who were selected based on criteria set by BRAC and recommendations by the Bangladesh government's Ministry of Health and Family Welfare;

- Phase 2, providing livelihood support through skills development training and seed capital to 350 recipients (including those supported under phase one), consisting of either survivors who were sole income generators of their families, or dependants of deceased/severely injured victims.

You can find some of the stories of the victims who are being assisted through Benetton Group/BRAC project on our website, within the section dedicated to our engagement for Bangladesh at <http://www.benettongroup.com/sustainability/benetton-for-bangladesh/>.

As for the Rana Plaza Trust Fund which is mentioned in your letter and the process that led to its creation, please allow us to clarify that Benetton Group had originally been amongst the original proponents of the roundtable created to discuss creating a fund to support the victims and their families. However, at some point we ended our involvement in this discussion and decided to concentrate our efforts and resources in our partnership with BRAC, when we realized that it was simply taking too long for those discussions – while people were needing immediate help - and that at any rate the mechanism for contribution in the end would be “on a voluntary basis” and not in any way in proportion to each company’s presence in Bangladesh. Through our partnership with BRAC, on the other hand, we were able to continue to support the victims and their needs – which is something that, through BRAC, we had already started doing only weeks after the tragic event.

We hope this information clarifies our position and thank you again for giving us this opportunity to articulate it.

Best regards,

Luca Biondolillo
Head of Corporate External Relations