



# **GLOBAL TAX POLICY**

## *Purpose*

Capri Holdings Limited (the “**Company**”, “**we**”, or “**our**”), the ultimate holding company of the Capri group of companies (the “**Group**”), is vested with the duty to approve the Company’s *Global Tax Policy* and its *Global Tax Strategy*.

The Company’s *Global Tax Strategy*, at its most basic level, endeavors to ensure the Group is in compliance with applicable tax laws and regulations in all countries in which we operate. In complying with the law, the *Global Tax Strategy* also establishes a unified approach to tax undertaken by all Group entities whilst taking into account the long-term strategy of the Capri business and other commercial objectives, mitigating tax risks and minimizing any inefficiencies in the implementation of business decisions.

## *Principles*

Compliance by the Group with its tax obligations and its relationships with tax authorities shall be governed by the following principles:

- **Compliance**

We strive to act at all times in accordance with all applicable laws and regulations, and are guided by relevant international standards (for example, Organization for Economic Co-operation and Development (“**OECD**”) Guidelines). We aim to comply with the spirit as well as the letter of the law.

- **Transparency**

We support the OECD’s international tax reform work on Base Erosion and Profit Shifting (“**BEPS**”) and BEPS 2.0 and we seek to be transparent about our approach to tax. We also implement a DAC6 mandatory disclosure reporting policy to ensure all arrangements or transactions are assessed against these requirements to determine any additional disclosure to respective tax authorities.

- **Transfer pricing**

Transfer pricing is always calculated using the ‘arm’s-length’ principle. We aim to pay an appropriate amount of tax according to where value is created within the normal course of commercial activity.

- **Tax Planning**

For non-routine, one-off transactions, our global tax department is involved from the beginning to ensure that the Capri business is provided with clear and relevant tax advice on the consequences arising from such transactions, and understands our strategy to avoid any unnecessary internal or external disputes.

# CAPRI

HOLDINGS LIMITED

We do not use artificial structures within the Group's business, nor do we enter into transactions with related entities solely to erode the tax basis or to transfer profits to low-tax territories.

We may engage in tax planning to structure our operations in a tax efficient manner. All tax planning and strategy is primarily driven by business goals and commercial objectives, and is grounded in commercial and economic reality. Taxes paid must reflect the functions performed, assets held and risks undertaken by the Group entities resident in each jurisdiction.

Any material tax planning or transaction undertaken by the Group seeks the assistance of outside CPA firms and legal counsel. Additionally, no material tax planning or transaction should be entered into without external advisors providing a minimum of "more likely than not" opinion. This means that the Group will only enter into a transaction where it is more than likely that a tax position will be sustained if it were to be examined and/or litigated based on the technical merits of the position. Plans or transactions that are above a certain materiality threshold level must also be approved by the Company's CEO and CFO and also by the Company's Board of Directors (or the appropriate committee thereof).

We will analyse any planning or arrangements to make appropriate reporting disclosure under Directive 2018/822, or DAC6.

- **Tax rulings**

Where we seek a ruling from a tax authority to confirm the applicable treatment of the tax law to a specific transaction, we only do so based on full disclosure of the relevant facts.

### *Relationships with tax authorities*

The global tax department pro-actively manages relationships with the applicable tax authorities with the aim of minimizing the risk of challenge or dispute by the tax authorities or damage to Capri's credibility.

### *Monitoring and Control*

The Company shall adopt the control mechanisms necessary to ensure compliance with applicable tax laws and regulations and with the principles set forth in this *Global Tax Policy* by all the companies of the Group.

It shall also use proper and sufficiently qualified human and material resources for such purposes.

On an annual basis, the Company's Board of Directors (or appropriate committee thereof) will review the *Global Tax Strategy* and any changes or comments will be reflected at that time before it is published.

**This policy has been approved by the Company's Board of Directors (or appropriate committee thereof) on January 24, 2025.**