

December 2020

LeeWrangler U.K. Limited / LeeWrangler U.K. Holdings Limited

Tax Strategy Statement

Our company seeks to ensure our values drive our tax strategy and that it remains aligned with our business and commercial goals. To do so, Kontoor follows the below principles regarding UK taxation.

LeeWrangler U.K. Limited and LeeWrangler U.K. Holdings Limited (the “Companies”) are subsidiaries of Kontoor Brands, Inc. (“Kontoor”), a global lifestyle apparel company, with a portfolio led by two of the world's most iconic consumer brands, Wrangler® and Lee®. The unparalleled heritage and authenticity of our brands has forged a unique emotional connection with consumers globally, earned through a consistent track record of product innovation, quality and trend-setting. Our iconic brands carry a combined heritage of more than 200 years. On May 23, 2019, Kontoor became an independent, publicly traded company.

Kontoor is based in Greensboro, North Carolina, and its common stock is listed on the New York Stock Exchange under the ticker symbol KTB.

At Kontoor, we are committed to ensuring that integrity is instilled in every aspect of our business. We take seriously our responsibility to maintain the storied reputation of our brands and to foster an innovative and collaborative culture committed to values such as accountability, honesty and transparency.

We seek to ensure that our values drive our tax strategy and that it remains aligned with our business and commercial goals. The Companies are publishing this UK tax strategy statement pursuant to the requirements of the United Kingdom Finance Act 2016, Schedule 19, Large Businesses: Tax Strategies and Sanctions, paragraph 19(2). This statement is applicable to the tax strategy in the United Kingdom. This document has also been approved by Kontoor's Board of Directors (the “Board”) for publication in accordance with Schedule 19 of the UK Finance Act 2016.

1. Approach to Risk Management and Governance Arrangements

We take a serious approach to tax risk and its responsibilities and have a strict risk management structure. The Companies are committed to adhering to all applicable laws, rules, regulations and disclosure requirements in the UK. Kontoor's senior tax and finance leadership executives regularly report to the Board on tax matters, and the Board ultimately oversees the Companies' approach to tax governance.

2. The level of risk in relation to UK taxation that we are prepared to accept

Our aim is to be transparent and compliant with tax legislation. Our tolerance for tax risk is low. The Companies comply with all relevant laws, rules and regulations and only carry out tax planning that supports the Companies' business goals consistent with the law. The Companies make use of statutorily available tax relief based on relevant UK tax laws, rules and regulations.

3. Our attitude towards Tax Planning

The Companies have an 'open door' policy regarding internal communications and deal with issues as and when they arise. The Companies also regularly engage external tax professionals to render opinions and advice regarding various tax matters when appropriate.

4. Our approach towards dealings with Her Majesty's Revenue and Customs (HMRC)

The Companies are committed to building transparent, honest and collaborative relationships with HMRC. The Companies proactively monitor changing tax laws, including the OECD transfer pricing guidelines, to ensure that tax procedures and policies can be updated to align with enacted laws.

The Companies acknowledge that there may be instances where HMRC's interpretation of tax legislation differs from their own. If a disagreement did occur, the Companies would seek to resolve the differences of interpretation in an open and constructive manner.