



This statement has been issued in accordance with Section 54 of the UK Modern Slavery Act 2015 and is updated annually.

Organisation

Bugatti Automobiles S.A.S. is the manufacturer of the world's most powerful, fastest, most exclusive and most luxurious production super sports car. Since it was established in 1909, the French luxury brand has had its headquarters at Molsheim, Alsace, where 450 Veyrons were produced from 2005 to 2015 and where the new Chiron, which is limited to 500 cars, is being hand-crafted today. The brand, which has been part of the Volkswagen Group since 1998, employs approximately 300 people. With 34 dealers and service partners in 17 countries in Europe, North America, the Middle East and Asia/Pacific, Bugatti is now a global player.

Bugatti is aware of the importance of acting ethically and responsibly and provides a sustainable and fair environment for all stakeholders. This includes the establishment, maintenance and continuous improvement of working conditions within the company as well as with its business associates.

Principles

Code of Conduct

As members of the Volkswagen Group, all Bugatti employees undertake to observe the Code of Conduct that defines the behaviour expected of them towards all business associates in the light of ethical and environmental standards.

Antislavery and human trafficking policies

Bugatti has implemented antislavery and human trafficking policies to address the risk of modern slavery.

These policies inform Bugatti's employees of matters relating to modern slavery and heighten awareness of these issues within the company. This includes the observance of applicable health, safety and employment legislation. In addition, the policies provide guidance on how to detect and report any suspected violation of human rights.

They encourage employees to respond to possible violations of human rights and to utilise the company's whistleblower system (see below). Any violation of these policies is treated as severe misconduct and may constitute grounds for suspension or termination of the employment contract.



Whistleblower system policy

Bugatti has a whistleblower system policy applicable to all persons working for the Bugatti brand regardless of their location. All employees and business associates have access to an ombudsman service which they may use anonymously if they prefer. A special email address has been set up for this purpose: hinweisgeber.buga.r.wob@bugatti.com

Sustainability requirements for contractors

Bugatti expects its business associates to observe human rights and employment legislation in accordance with Volkswagen's sustainability requirements for contractors. These sustainability requirements form an integral part of the contract for all Tier 1 contractors.

The sustainability principles cover human rights, the core labour standards defined by the International Labour Organisation (ILO) and the principles defined by GlobalCompact and the International Chamber of Commerce Business Charter for Sustainable Development.

The sustainability requirements are available in nine languages and can be downloaded from the Volkswagen Group supplier portal.

If a business associate breaches any of these conditions, the company reserves the right to terminate business relations.

Identifying risks

Potential concerns regarding modern slavery are monitored by means of a risk management system. Consequently, potential risks within the company are evaluated on a quarterly basis. This process also regularly evaluates the observance of internal policies and the VW sustainability requirements.

As an automotive OEM, Bugatti has a highly complex international value chain which it is committed to rendering fully visible. Bugatti applies the same standard of care to its Tier 1 contractors in all regions to ensure that the zero-tolerance approach to human trafficking is observed along the entire value chain.

The same principles apply to contractors performing on-site services at Bugatti such as construction and cleaning services. The UK government takes the view that these are industries exhibiting a heightened risk of human trafficking.

Compliance

Potential compliance risks including the risk of breaches of human rights are recorded and evaluated using the enterprise-wide, regularly updated GRC risk process. Preventive measures are developed and corresponding compliance programmes implemented on the basis of the results. Internal auditing, security, human resources and legal departments are responsible for the necessary



investigations and reactions. Group Audit performs regular and systematic reviews of the processes utilised by the Group brands (including Bugatti) in accordance with the internationally acknowledged COSO Enterprise Risk Management Framework among other things. In addition, it performs sample reviews regardless of the existence of any suspicion as well as investigations into certain suspicious cases.

Due diligence execution

Contractor self-assessment

Contractors are asked to complete a self-assessment questionnaire confirming that they comply with the sustainability requirements. The questionnaire has been prepared in conjunction with other automotive OEMs to ensure consistency across the entire sector. Regular quality audits are performed to determine whether the contractors have understood the sustainability requirements and have completed the sustainability questionnaire.

Sustainability audits

Bugatti can utilise an independent external service provider for selected contractors to determine whether they are working in accordance with the sustainability requirements. The results of these audits are reviewed by the department responsible for the purchasing region in question. If necessary, this department prepares a plan of action.

If any violations of the requirements are ascertained and the contractor is not willing to implement the necessary adjustments, Bugatti may decide to terminate the business relationship.

Monitoring of effectiveness

In order to ensure that contractors comply with the expected process, the Volkswagen Group performs a quarterly review of the data that contractors have disclosed in the sustainability self-assessment questionnaire together with data from sustainability e-learning.

A list of all contractors that have not submitted their questionnaire is forwarded to the Volkswagen Group's sustainability contact for the region in question. If the self-assessment questionnaire reveals critical points with respect to ethical or environmental matters, an ad-hoc case is recorded and forwarded to the Board of Management of the Volkswagen Group and the heads of purchasing of all brands for further investigation.



Training

All Bugatti employees are able to take part in sustainability training. This is provided in the form of an e-learning module that is available to all Volkswagen Group employees.

Summary

This statement sets out a number of the measures that Bugatti takes to prevent and eliminate modern slavery in all areas of its business.

It is to be updated over time to include progress made on this important matter.