Slavery and Human Trafficking Statement

Bugatti Automobiles S.A.S. (Business year 2021)
This Statement was prepared in accordance with Section 54 of the United Kingdom Modern Slavery Act 2015. It represents all implemented measures of the Bugatti brand to avoid forms of modern slavery and human trafficking.

Preamble

In view of advancing globalization and the increased shift of value creation to the respective sales markets, we are also aware of our global responsibility with regard to the protection of human rights. For us, this responsibility does not end at our work sites, but goes beyond them.

Organization and supply chain

Bugatti Automobiles S.A.S. is a manufacturer of the ultimate hyper sports cars. Founded in 1909 by Ettore Bugatti, the French luxury brand is still based where it all began: in Molsheim in the Alsace. Four hundred and fifty Veyron were built there at the Bugatti Atelier between 2005 and 2016 and since then the Bugatti Chiron, limited to 500 units, is being manufactured. The Chiron is designed to combine the best of two worlds, meeting the highest demands in terms of luxury and comfort, yet also an outstanding performance paired with everyday drivability. With its incomparable character the Bugatti Chiron is a truly unique hyper sports car.

Even more exclusive models like the Bugatti Divo or La Voiture Noire have contributed to further strengthening the image and the position of Bugatti at the very pinnacle of the automotive industry. They are the essence of what can be called Automotive Haute Couture.

The Bugatti brand is a global player, with dealers and service partners in Europe, North America, the Arabian Peninsula and the Asia-Pacific area.

Bugatti recognizes the importance of behaving ethically and responsibly and creates a sustainable and fair environment for all its stakeholders. This includes the establishment, maintenance and continuous improvement of working conditions within the company and at the locations of its business partners.

Worldwide compliance with sustainability standards in areas such as human rights, occupational health and safety, environmental protection and anti-corruption is a basic prerequisite for successful business activities with our suppliers. Together with our business partners we ensure compliance with sustainability Standards and contribute to the implementation of the United Nations' Sustainable Development Goals (SDGs).
Bugatti Code of Conduct

The Bugatti brand has updated its Code of Conduct.

The rejection of all forms of modern slavery and human trafficking is part of the new Bugatti brand Code of Conduct. In addition, in our actions, we abide by the principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the guidelines of the International Labour Organization (ILO).

Bugatti Whistle-blower system

The whistle-blower system is used to report on violations of regulations and laws. It is an important element of good corporate governance.

Our employees, business partners and other third parties may use various channels in the whistle-blower system to report possible misconduct or regulatory violations of employees. These channels include the online reporting channel, telephone hotline, email inbox and personal contact with the Compliance Officer, as well as contact via external parties such as the public prosecutor or other responsible authorities.


Employee qualification

Through preventive measures, we promote compliance in our organization and enhance the compliance awareness of our employees via targeted trainings. All new employees are required to take part in an on-boarding training focused on the Code of Conduct. In addition, certain employees are trained on anti-corruption and money laundering prevention.

The procurement function gets information on sustainability issues and possible risks. In doing so, we ensure that our employees are familiar with our internal systems and processes as well as our sustainability requirements for business partners in order to report any observed violations to the responsible authorities.

Supplier sustainability requirements

The Bugatti Code of Conduct for Business Partners formulates the expectations of the Bugatti brand regarding the behaviour of business partners with regard to central environmental, social and compliance standards. This also includes internationally recognized human rights.

By contractually integrating sustainability requirements into the procurement process, we aim to ensure that our sustainability Standards are met throughout the entire supply chain worldwide. These requirements are based on the principles of the UN Global Compact, the Charter of the International Chamber of Commerce for Sustainable Development and the conventions of the International Labour Organization, amongst others.
Risk analysis

In order to obtain an assessment of the social, ecological and human rights-related risks of our suppliers' respective locations even before negotiations with potential suppliers, Bugatti uses a country risk analysis and self-assessment questionnaires. Risk analysis is based on data from third parties and internal experience. In supplier development, we place particular emphasis on the countries in which we have identified increased risks. Before starting a business relationship, we check the integrity of our business partners.

Qualification and monitoring of suppliers

If we receive indications of violations of our sustainability requirements by business partners, we take them very seriously and follow them up immediately and consistently. In concrete terms, this means that we contact the supplier immediately for a statement on the suspected case. If the suspicion is confirmed, the supplier is requested to submit an action plan to remedy the problem. We comprehensively monitor and review the implementation of this action plan.

In addition to monitoring the sustainability performance of our suppliers, our activities continue to focus on the continuous dialogue and further development of our suppliers. This ensures that our business partners understand our requirements and are made aware of new challenges.

Risk assessment

The risk of modern slavery in our supply chain has been assessed to be low, as we use a limited number of mainly domestic suppliers. Each supplier is subject to legally binding terms and conditions that include commitments to comply with all applicable laws.