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BERLUTI SA

Anti Modern Slavery Statement 2021

Introduction

Since the publication of its first Anti Modern Slavery statement in June 2017, BERLUTI SA (“BERLUTI”) and its affiliated companies (together “the BERLUTI Group”) have continued to focus on extending their work to combat modern slavery into their sourcing and operations chains, notably via the Suppliers’ Code of Conduct, the internal alert system, as well as on improving their processes in place to monitor and assess their suppliers’ practices. Over the past year, BERLUTI has been maintaining its actions and internal rules aimed at preventing and combatting slavery and human trafficking from taking place in its supply or operation chains.

BERLUTI recognises that its ethical trading program requires constant monitoring and improvement.

Business

BERLUTI, the French parent company of the BERLUTI Group is closely linked to the LVMH Moët Hennessy Louis-Vuitton SE (“LVMH”) Group.

BERLUTI is the owner of the BERLUTI trademark and tradename throughout the world.

BERLUTI sells luxury and high quality products under the BERLUTI trademark including shoes, leather goods, bags, accessories, ready-to-wear, home decoration, etc. (the “**Products**”), to clients in Europe, including in the United Kingdom, as well as in many other countries worldwide.

Supply chains

Products are mainly manufactured through BERLUTI’s industrial subsidiary. BERLUTI purchases directly from local suppliers, services and products necessary to run its business.

Policies and Practices

BERLUTI’s commitment is to act with integrity in all its business dealings and to promote ethical conduct, to enhance compliance with applicable laws and to provide guidance with respect to business conduct. It has a number of policies that are relevant to this commitment, which set out what BERLUTI expects from its employees, contractors, internal business and its external suppliers and their supply chain.

BERLUTI engages in multiple internal and external actions to gauge and combat the risk of modern slavery, including human trafficking occurring in its supply chains and to assess and manage potential risks related to its supply chain. BERLUTI’s due diligence includes internal risk assessments utilizing information gathered from organizations with expertise in social compliance issues, other companies, and various additional external resources.

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Key policies and practices are:

1. BERLUTI Suppliers' Code of Conduct (the “BERLUTI Suppliers' Code of Conduct”)

BERLUTI Suppliers' Code of Conduct reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure Modern Slavery is not taking place in BERLUTI or its supply chains.

BERLUTI requires its suppliers to engage in and promote ethical conduct, comply with all applicable laws, rules and regulations in their own area and act responsibly, with due care, competence and diligence when dealing with us.

BERLUTI ensures that BERLUTI Group requires its suppliers to share its commitments and act in full compliance with the relevant laws, including all national, local and international laws relating to the management of their businesses.

BERLUTI requires its suppliers to seek approval before subcontracting any part of their supply chain process and BERLUTI Group's approval is subject to acceptance by the subcontractor of the BERLUTI Suppliers' Code of Conduct and all other applicable conditions that may be required.

BERLUTI requires its suppliers to sign the BERLUTI Suppliers' Code of Conduct.

This Suppliers' Code of Conduct was developed and updated in December 2017. It is issued to current suppliers and form part of new agreements with suppliers. In the BERLUTI Suppliers' Code of Conduct, BERLUTI confirms its ambition to uphold ethical standards within its supply chains and its requirement that its suppliers will do the same. In the event of suspected or known noncompliance, the Suppliers' Code of Conduct provides BERLUTI with the ability to take remedial action and could result in terminating the relationship with that supplier.

2. Audits

BERLUTI, in particular its industrial subsidiary, conducts audits of the suppliers of certain finished goods and of raw materials to evaluate their compliance with various regulations and BERLUTI's own policies and procedures. BERLUTI engages third-party compliance firms to perform announced, semi-announced, or unannounced assessments of these vendors, and following audit results, the vendors are required to address any non-compliance issues identified during an audit or re-audit. A vendor's failure to address and correct such deficiencies will result in a re-evaluation of BERLUTI's business relationship with the vendor, possible remedial action being required or the termination of the business relationship.

3. Supplier and Contractor due diligence

BERLUTI has been reviewing its suppliers and a lot of its suppliers are carefully chosen for the entire BERLUTI Group by BERLUTI.

Prior to entering into any new contractual relationship with a supplier or contractor, BERLUTI requires a supplier or contractor to commit to comply with the BERLUTI Suppliers' Code of Conduct.

BERLUTI reserves the right to check adherence of BERLUTI Group and its suppliers and contractors to the Suppliers' Code of Conduct and to conduct compliance audits at any time. Upon reasonable request,

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BERLUTI can require BERLUTI Group and its suppliers and contractors to supply requested information and grant access to BERLUTI representatives to verify compliance with the requirements of the BERLUTI Suppliers' Code of Conduct. Suppliers and contractors are obliged to keep proper records to prove compliance with the BERLUTI Suppliers' Code of Conduct and to provide access to complete, original, and accurate files to BERLUTI representatives.

Upon reasonable request, BERLUTI suppliers and contractors must improve and correct any deficiency discovered during such audits.

BERLUTI shall use its reasonable endeavours to ensure that all BERLUTI Group supplier and contractor template contracts contain clauses that require them to adopt similar anti-modern slavery standards and practices.

4. Staff/Employees

○ Training and Awareness

BERLUTI provides training to employees in general and employees with direct responsibility for supply chain management and purchasing in particular. Among other ethics and compliance issues, the training has been particularly focused this year on raising awareness regarding the risks of corruption that may occur in the business or its supply chains.

The purpose of BERLUTI's ethics and compliance training program is to ensure that BERLUTI is promoting a working environment where all individuals are equipped with the ability to identify unethical or potentially unethical practices as they perform their day-to-day work.

○ Employees' Code of Conduct

BERLUTI's Employees Code of Conduct, signed by all the employees and received and signed during all new staff onboarding, demonstrates BERLUTI's ambition for its staff to act with, and commit to, integrity in the conduct of its business in an environment that is free from all form of unethical behaviour including forced or compulsory labour, child labour, slavery, human trafficking, discrimination, corruption and harassment and therefore provides a common framework of values and principles to provide guidelines to its staff.

○ Whistleblowing Policy /Internal Alert System

All employees had access to our whistleblowing alert system.

This is aimed to encourage them to identify and raise concerns of past, present, or future wrongdoing, including any related to modern slavery within BERLUTI Group or our supply chains, using appropriate, confidential channels. In 2021, there has not been any alert raised through the whistleblowing system.

One of the objectives for the next financial year is that all new starters receive our whistleblowing policy document as part of their onboarding process.

Thus, in the course of the year 2021, BERLUTI has maintained its audit program of certain vendors to assess their compliance with various regulations and BERLUTI's own policies and procedures. All employees have continued to benefit from the whistleblowing alert system and have had regular reminders about the principles of the Employees' Code of Conduct each time a new communication regarding ethics and compliance policies of BERLUTI has been sent inside the company.

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This statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015 and constitutes BERLUTI's Anti-Modern Slavery statement for the financial year ending 31 December 2021.

The Board of Directors of BERLUTI has approved this statement and it has been duly signed by the following director:

ANTOINE ARNAULT
Director of BERLUTI
June 22nd, 2022

