

# Berluti

Paris

*Bottier depuis 1893*

## BERLUTI SA

### Anti Modern Slavery Statement 2018

#### 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.

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

#### Supply chains

Products and packaging 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.

Key policies and practices are:

1. 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

Paris

*Boutier depuis 1893*

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 BERLUTI Group determines.

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 Suppliers' Code of Conduct, BERLUTI confirms its ambition to uphold ethical standards within its supply chains and its requirement that its suppliers 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 conducts audits of certain finished goods vendors and materials vendors 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 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, 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.

# Berluti

Paris

*Boutique depuis 1893*

## 4. Staff/Employees

### o Training and Awareness

BERLUTI provides training both to certain employees with direct responsibility for supply chain management and certain vendors. The training, is focused on raising awareness regarding the risks of modern slavery occurring in the business or its supply chains and on preventing, detecting, and responding to allegations related to these and other related issues.

The purpose of BERLUTI's 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.

### o Employees' Code of Conduct and Whistleblowing Policy /Internal Alert System

BERLUTI's Employees Code of Conduct 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.

In the course of the year 2018, BERLUTI has also finalized the implementation of a whistleblowing policy and confidential helpline/internal alert system, as to encourage staff to identify and report concerns through the appropriate channels.

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 2018.

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 25<sup>th</sup>, 2019

