



## FORCED LABOUR AND CHILD LABOUR STATEMENT

**Reporting entity:** Bugatti Group Inc.

**Financial reporting year:** F2024.

**Date reported:** April 2025.

### I. Introduction from the board of directors

Bugatti Group is committed to upholding the highest standards of ethics and integrity in all aspects of our operations, including the prevention of forced labor and child labor. We believe in respecting the dignity, rights, and well-being of all individuals, and we expect the same commitment from our employees, suppliers, and business partners.

### II. Organizational structure

Headquartered in Boisbriand, Québec, the Bugatti Group is a reputable affordable luxury brand that specializes in the creation, design, marketing, importation, and distribution of top-notch luggage, travel accessories, business briefcases, and essential items. With an impressive portfolio of 12 brands, the Bugatti Group also offers a wide range of fashion accessories for women.

With a rich legacy spanning over 80 years, the Bugatti Group has established itself as a trailblazer in the realm of luggage and business briefcases. Building upon this foundation of excellence, the company has now expanded its horizons to become an industry leader in innovative and captivating categories. In addition to its renowned luggage and business briefcases, the Bugatti Group now offers an impressive array of products including cutting-edge luggage, high-performance outdoor sports gear. This diversification showcases the Bugatti Group's unwavering commitment to pushing boundaries and delivering exceptional quality in every venture.

At the core of our operations, the Bugatti Group upholds an unwavering dedication to excellence. With a dynamic team of over 60 passionate employees, we are constantly seeking new talent and collaborations to fuel our growth. This commitment allows the Bugatti Group to flourish, as we consistently strive to exceed customer expectations and provide unparalleled customer experiences. By leveraging our organizational competencies and the trust placed in us by our valued customers, we are driven to deliver nothing short of the very best in everything we do.

### **III. Our activities & supply chain**

At Bugatti we engage in the following activities: relating to design, sourcing, and distribution:

- Private label and licensing programs, and partnerships & collaborations;
- Brand development catering to current lifestyles and trends;
- In-house design, brand development and marketing teams;
- Speed to market production cycles;
- Successful direct sourcing and supply chain via our overseas facilities;
- On site QC team for optimum control;
- Awareness of market demands: sustainable solutions, compliance measures;
- Market knowledge and upcoming trends;
- Competitive landscape analysis.

All our products are designed in our company located in Boisbriand, Qc and the most of our selected suppliers are located in China.

We have around 28 companies that manufacture our different products. These factories have an average of 264 employees. They send the finished product to Bugatti located in Boisbriand, Qc and the final touch of embossing is done in house.

### **IV. Our risk assessment policies, and procedures**

Bugatti Group is dedicated to ensuring that there is no forced labour or child labour in our supply chain or in any part of our business.

Given the nature of our business, we recognize that there is a possibility of forced and/ or child labour in our supply chain. However, given the relationships we have with our suppliers and the policies and procedures we have in place to reduce and mitigate these issues we believe our risks are moderate to low.

Our policies and procedures demonstrate our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure forced labour or child labour is not taking place anywhere in our supply chains and within our company.

It is also important to note that our company operates in accordance with the laws established by the government of Canada.

### **1. Bugatti Employee Handbook**

- Internally, at Bugatti, our Employee Handbook has been recently revised to include a section on forced and child labour. Our Employee Handbook emphasizes respect for human rights within our own actions also that of our business partners. Our Employee Handbook specifically states that Bugatti's business partners are expected to not use child or forced labour.

### **2. Suppliers and business partners:**

- All our business partners sign a code of conduct provided by Bugatti Group Inc. This code applies to all business partners that produce goods for Bugatti Group Inc. This Code sets forth the basic requirements that all business partners must meet in order to do business with Bugatti Group Inc. This includes compliance with local legislation as well as a prohibition on involuntary labour and child labour. The Code of Conduct also includes various other obligations in regards to respecting and protecting human rights.
- Bugatti contracts a company to perform surprise audits of our suppliers on a regular basis. This audit consists of verifying the working conditions, including compliance with the minimum age, working hours, safety equipment, and others. These audits are received by the product development department, which monitors through a system that these audits are performed.

### **3. Recruitment process in the company:**

When hiring personnel for the Bugatti Group, we make sure that the person complies with the government (Canada & Quebec) legal requirements, in this case that he/she meets the minimum working age. This is done through a form that the person must fill out with their personal information including their date of birth and a request for their bank account number and social security number to ensure that he or she can legally work for our company.

### **4. Training:**

- Recently, we have revised and updated our employee handbook to include a section that mentions our policy to prevent and avoid the risk of forced labor and child labor in our company.

- In the contract that new employees sign, it is established that they will be given a copy of the employee handbook that includes the previously mentioned information.
- To ensure that the employee has reviewed the employee handbook, on the first day of work we give them an orientation session where we have recently reviewed and included our policy against forced labour and child labor.
- This year, we provided training to our employees on forced labour and child labour.

#### **V. Remedial actions**

Over the past year, are not aware of any instances of forced or child labour and therefore we have not taken any remedial actions.

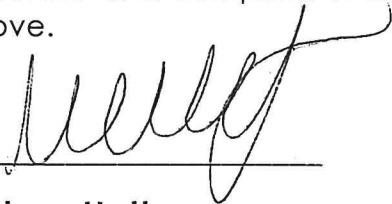
#### **VI. Policy effectiveness**

To assess the effectiveness of our policies, we consistently monitor data from our supplier audits. Notably, we also review and revise our Employee Handbook, and Codes of Conduct and other internal policies from time to time. As noted above, we have recently revised our Employee Handbook include a section on forced and child labour.

#### **VII. Approval & attestation.**

This report has been approved by the board of directors of Bugatti Group Inc.

I attest that we have reviewed the information contained in the report for the entity listed above. Based on our knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects, for the reporting year listed above.



**Andrew Hattem**

**C.E.O.**

**Bugatti Group Inc.**