# UK MODERN SLAVERY ACT 2015 STATEMENT

# AND

# CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT OF 2010 DISCLOSURE

## Introduction

Under UK MODERN SLAVERY ACT 2015 (“UK ACT”) and CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT 2010 (S.B.657) (“CALIFORNIA ACT”), companies of a certain size are obliged to disclose a statement on their efforts to eradicate Modern Slavery from their supply chains.

Modern Slavery includes any forms of slavery, servitude, forced or compulsory labour, forced marriage and human trafficking (collectively, “modern slavery”).

Bulgari S.p.A. and its worldwide subsidiaries[1] (hereinafter the “Bulgari Group” or the “Group”) are committed to fully complying with all applicable laws, regulations, both national and international conventions, as well as with best practices, about ethics, human rights and social responsibility.

As such, Bulgari has already released statements setting out the steps that the Bulgari Group has taken, and continues to take, to ensure that modern slavery is not taking place in its operations and supply chains. With this statement, for the financial year ending 31 December 2023, Bulgari wishes to highlight effective measures taken or started in the year 2023 to ensure that any forms of modern slavery, human trafficking and forced labour are not taking place in its global supply chains or in its own business. This statement applies to all the companies of the Bulgari Group.

## Organisational structure and supply chain

Bulgari is structured in different Business Units: Jewellery, Watches, Accessories, Fragrances, Hotel & Resorts. Headquarters are in Rome, Italy, and the Group operates in several countries across the world. Bulgari business is operated mainly through Offices, Directly Operated Stores and Franchisees.

The Bulgari Group supply chain encompasses suppliers and business partners that provide raw materials for the relevant manufacturing processes and services to run its business. Each Business Unit is responsible for managing relations with suppliers and business partners, based on the specificity of its activities, processes and geographical presence.

[1] Including Bulgari (UK) Limited and Bulgari Corporation of America

Finished products are manufactured at both company-owned facilities in Europe (mainly Italy and Switzerland) and through an external network of suppliers. The supply chain is based on long-standing relationships that can facilitate a continuous improvement path overtime.

The Bulgari Group is aware of the importance of raw material supply chain. For this purpose, the Group defined a responsibility program to monitor and manage social and environmental impacts of procurement practices for key raw materials (gold, diamonds, colored gemstones, leather, precious skins and packaging), as described hereinafter.

In addition, the Group works with licensees to ensure they apply consistent standards, in alignment with those applied throughout the rest of the supply chain.

## Policies

Bulgari S.p.A. adopted a set of policies defining an ethical framework to identify, prevent and mitigate risks of modern slavery within the Group's own operations and its global supply chains.

Bulgari fully adopted the LVMH Code of Conduct (CoC) which is inspired by the Universal Declaration of Human Rights, the Ten Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises and the United Nations Guidelines on Women's Empowerment.

Bulgari promotes values and principles to be applied to its supply chain through the LVMH Supplier Code of Conduct, last updated in 2022. The LVMH Supplier Code of Conduct (LVMH SCoC) is based on the principles set out in the Conventions of the International Labour Organization, the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas ('OECD Guidance') and the UN Guiding Principles on Business and Human Rights. Bulgari requires its Suppliers to respect the principles presented in the LVMH SCoC and to ensure that their own suppliers do the same. Additional requirements for suppliers operating in mineral supply chains have been introduced as an Annex called the "Bulgari Annex on Mineral Supply Chains". Obligation to accept and comply with the LVMH SCoC and its requirements is a condition for doing business with Bulgari.

The Group is aware of the potential social impacts of sourcing of raw materials.

For this reason, Bulgari defined a responsible sourcing approach, which is outlined in its Responsible Sourcing Policy for Mineral Supply Chains. This Policy expresses Bulgari's commitment to responsibly source diamonds, gold, silver, platinum group metals and colored gemstones, taking all possible measures to ensure that they are sourced from businesses that follow the law, respect the rights of workers and the communities in which they operate. Through this Policy, Bulgari Group commits to implementing the five-step framework of the OECD Guidance. Moreover, Bulgari defined a Human Rights Policy, in accordance with the United Nations Guiding

Principles on Business and Human Rights. Full responsibility for both policies resides with the CEO of the Group.

## Specific measures

Bulgari Group confirms its commitment to act responsibly and to engage with trusted diamonds suppliers based in countries adhering to the Kimberley Process, a joint government, industry and civil society initiative to stem the flow of conflict diamonds through an international certification scheme. Moreover, all Bulgari suppliers are members of trade associations, such as the World Diamond Council, which aims to implement the Kimberley Process through a self-regulation system.

Since 2006, Bulgari S.p.A. is a member of the Responsible Jewellery Council and it keeps maintaining, since 2011, the RJC Code of Practices Certification. In 2023, Bulgari achieved the renewal of the RJC Code of Practices. The Certification confirms its commitment, in close collaboration with its stakeholders, to promote responsible and ethical practices within its business operations and core strategy through a continual dedication to improvement. In 2015, Bulgari Gioielli S.p.A. achieved the Chain of Custody Certification ('RJC CoC'), for its gold jewellery products lines and periodically renewed it, the latest renewal date being 2021. The Certification promotes the usage of gold sourced in a responsible way among the whole supply chain, implementing an appropriate internal and external Management System, which ensures the segregation of CoC-certified gold in each step of the manufacturing process, from procurement to finished product delivery.

The Bulgari Group is committed to continuously improving systems and controls for the respect of human rights across the supply chain. Therefore, the Corporate Social Responsibility Department in strict collaboration with the Purchasing Department, the Ethics & Compliance Department and the Ethics & Compliance Committee, regularly assess the adequacy of its procedures.

## Assessing risks within the supply chain

In association with LVMH programs and the principles promoted by the Responsible Jewellery Council, Bulgari S.p.A. monitors social and human right risks across the supply chain. For this purpose, Bulgari S.p.A. has put in place a Suppliers Risk Management Process, constituted by the three following steps: 1) supplier risk assessment; 2) social & environmental audit to suppliers; 3) follow up. Each supplier included in the risk assessment compiles a CSR self-assessment questionnaire with a focus, among others, on the following topics: child labour and forced labour; freedom of association; discrimination; disciplinary and grievance procedures; working time; remuneration and general employment terms. The Suppliers Risk Management Process integrates the Supply Chain Due Diligence requirements introduced for suppliers operating in the Mineral Supply Chains.

Furthermore, Bulgari completes periodically risk-mapping activities at Operations and Supply Chain level. The risk mapping analyses, among others, the human rights risk exposure. Bulgari has assessed the existing risk management actions (e.g., Suppliers Risk Management Procedure; Supplier Audit Plan) as adequate measures to manage and mitigate the level of risk identified.

## Due Diligence and effectiveness measurement

On an annual basis, Bulgari S.p.A. defines a supplier audit plan for each Business Unit, based on the results of the risk assessment analysis. Bulgari has included in the suppliers' agreements the right to visit suppliers' factories. Audits can be announced, semi-announced or not announced and are based on the most recognized standards: SMETA (Sedex Members Ethical Trade Audit); Social Accountability SA 8000; ISO 14001; RJC Code of Practices; RJC Chain of Custody. In case of non-conformities, every effort is made to work with the supplier to implement corrective actions.

With reference to gold supply chain, Bulgari implements the requirements of the OECD Due Diligence Guidance Supplement on Gold and therefore involves the relevant refiners and suppliers in its Due Diligence. In addition, in line with the RJC Code of Practices provision, Due Diligence has been extended to relevant refiners and suppliers of silver and platinum group metals. In 2023, Bulgari continuously progressed with the implementation of Due Diligence processes across its gold supply chain.

With reference to diamonds supply chain and in accordance with its 'Due Diligence Programme on the Responsible Sourcing of Diamonds' set forth in 2019, Bulgari outlined specific Responsible Sourcing Criteria. In 2023, Bulgari kept on ensuring the implementation of the Programme that all its diamonds suppliers are expected to adopt.

Since 2019, aligned with the OECD Guidance, Bulgari has been working for the implementation of the Due Diligence process on its colored gemstones supply chain, involving key colored gemstones suppliers. In addition, Bulgari, through LVMH, is an active player of the Coloured Gemstones Working Group (CGWG). In 2021 the CGWG launched the Gemstones and Jewellery Community Platform, that provides self-assessment tools to help businesses improve their sustainability practices.
Bulgari is committed to accelerating the adoption of the OECD Guidance across its mineral supply chain.

Bulgari S.p.A. is constantly monitoring the impact and effectiveness of actions and measures in place for a responsible business conduct. In this regard, it has defined internal KPIs on the number of audits to be conducted on suppliers and the related follow-up actions, where necessary.

In 2023, Bulgari published its Supply Chain & Human Rights Due Diligence Report with respect to the activities conducted in 2022, with the aim to provide information to all Bulgari stakeholders on risk assessment, Due Diligence policies, activities and related findings with a particular focus on Diamonds, Gold, Silver, Precious Metals and Colored Gemstones.

The document is publicly available on Bulgari Corporate Website.

## Training and awareness raising

Bulgari conducts internal trainings and awareness activities to ensure that participants in the supply chain management are aware of the issues and concerns around any forms of modern slavery.

Moreover, all employees can access the LVMH Ethics and Compliance intranet, that includes a number of tools and practical information promoting exemplary behaviour in the day-to-day conduct of business activities. Trainings on ethical topics are accessible to all employees, including the mandatory training on LVMH Code of Conduct. In addition, training modules on more technical topics (like the Kimberley Process and System of Warranties) are regularly updated and available. Bulgari encourages open communication and dialogue within the Group and with its external stakeholders: this is why the LVMH Alert Line has been adopted; in fact the LVMH Alert Line is the online interface that provides any employee or external stakeholder a fully confidential and secure way of reporting in good faith violations of the laws, regulations, or principles of internal conduct.
Ongoing awareness activities are also in place with a focus on suppliers and business partners that have been subject to audit. In this case, Bulgari provides ongoing, demand-based support to address non-conformities or boost further the social performance of its suppliers.

## Ongoing Commitment

The Group has an ongoing commitment to conducting its business in a socially responsible manner and to prohibiting modern slavery and "*Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*" in line with Target 8.7 of Sustainable Development Goal 8. This commitment encompasses the promotion of ethical standards and socially responsible management practices throughout its entire supply chain to improve awareness of modern slavery and human rights risks of its operations.

As such, the Group works to continuously improve its internal processes and procedures with specific reference to Due Diligence as described in the 'Due Diligence and effectiveness measurement' section.

Approved by the Board of Directors of Bulgari S.p.A. on March 19th 2024, and by the Board of Directors of Bulgari (UK) Limited on March 26th, 2024, and signed by:

Jean-Christophe Babin

Chief Executive Officer, Bulgari S.p.A.