



Automobili Lamborghini S.p.A.

“Slavery and Human Trafficking Statement”

(Fiscal Year 2023)

This statement has been prepared pursuant to Section 54 of the United Kingdom Modern Slavery Act 2015. In particular, it details the measures implemented by Automobili Lamborghini S.p.A. on preventing forms of modern slavery and human trafficking.

Preamble

We recognize our responsibility to protect human rights at our sites and along our complex value and supply chains. For us, this responsibility does not end at our factory gates; but goes beyond them.

1. Organization and supply chain

Automobili Lamborghini is an Italian Company headquartered in Sant’Agata Bolognese, subject to the direction and coordination of AUDI AG, and it is part of the Volkswagen Group. The Company’s purpose is the development, design, production, and sale of super sports cars worldwide known for their unique DNA. With 184 Dealers in 54 Countries, Automobili Lamborghini has a balanced distribution of sales across three macro regions: EMEA (Europe, Middle East and Africa), America, and Asia-Pacific, each representing approximately one third of worldwide sales.

For us, global compliance with sustainability standards in areas such as human rights, occupational health and safety, environmental protection and combating corruption is a basic prerequisite for successful business activities with our suppliers. Only together with our business partners it is possible to ensure compliance with sustainability standards.

The measures and efforts undertaken by the Volkswagen Group to promote sustainability and to safeguard and respect human rights within the Group Companies and in the supply chain also contribute to achieving these goals.

2. Internal measures

General

The integration of the topic of “Business and Human Rights” (“BHR”) into the existing Compliance Management System, as well as the central coordination of responsibilities in other divisions regarding the BHR topic falls under the remit of the Compliance, Risk Management and Integrity Function at Lamborghini. This includes the implementation of the Supply Chain Due Diligence Act (LkSG) requirements as per the principle of decisive influence exercised by our parent Company.

In this regard, various measures were implemented in fiscal year 2023 to prevent forms of modern slavery and human trafficking, as well as human rights and environmental standards through corresponding preventive measures for the Audi brand group companies and their suppliers. The appointment of an independent Human Rights Officer (HRO) for the Audi brand group Companies aims to guarantee the implementation of LkSG activities, making an important contribution to meeting the requirements of the LkSG even in Companies outside Germany.

At the local level, concerning business and human rights (BHR), an internal team, called the «BHR Team», has been established. BHR Team comprises representatives from various areas such as Procurement, HR, R&D, Sustainability, Safety & Environment, Finance and Compliance. The Team is responsible for setting up processes, advising and managing the other areas of the Company in the human rights and environmental field and is coordinated by Compliance. Their activities are regularly reported to the HRO of Audi.



Combating modern slavery along our value and supply chain is one of the focal points of our activities in the area of BHR. For us, child labor and forced labor in particular are serious violations of human rights and are therefore prohibited.

Moreover, we outline our broad understanding of “Business & Human Rights” on the [Lamborghini website](#). The Volkswagen Group, which includes Lamborghini, has expanded and affirmed this understanding along with our commitment to our entrepreneurial responsibility, following internationally recognized treaties and conventions, including explicitly the UN Guiding Principles on Business and Human Rights, in the updated “Declaration by the Volkswagen Group on social rights, industrial relations and business and human rights”, known as the Social Charter. Lamborghini has endorsed the Volkswagen Group's Social Charter and adopts the values contained therein.

Furthermore, our activities are guided by the principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the declarations of the International Labour Organization (ILO).

Organizational Model pursuant to Italian D. Lgs. No. 231/2001 and Ethic Code

In order to ensure legality, correctness and transparency in the management of its business and its activities, Automobili Lamborghini has adopted an [Organizational and Management Model](#) according to the Italian Decree 231/2001², and an [Ethic Code](#), which is regularly updated based on VW Group requirements. The Ethic Code is based on shared values, with a focus on honest conduct, integrity, compliance with all rules and regulations, and responsibility. The Organizational Model, as well as the Ethic Code, apply to all individuals working in the interest of Lamborghini, either inside and outside the Company and are always available to all employees on the Intranet page and to third parties on the web page.

In particular, the Company has assessed the risk of crimes' commission provided in art. 25-*quinquies* of the 231/01 Italian Decree, which includes those that could lead to or facilitate the finding of workers in conditions of slavery, for example, through human trafficking. Therefore, expected behaviors towards employees and business partners are defined to ensure business is conducted ethically and to avoid any form of modern slavery.

The Ethic Code seeks to help employees observe the Company's rules at their workplace, as members of society, providing them with guidance, assistance, and advice. The rejection of all forms of modern slavery and human trafficking is also a fundamental part of our Ethic Code.

Furthermore, as of January 1st 2024, Automobili Lamborghini launched the updated Ethic Code in accordance with the Group's initiatives. A communication campaign is still ongoing, with all Board Members and some Middle Managers engaged in promoting the principles and values of the CODE, including the topic of Human Rights.

Lamborghini's Whistleblower System³

The Whistleblower System serves as the point of contact for reporting suspected potential regulatory violations. These include, for example, violations of human rights – a matter that fundamentally constitutes a “serious regulatory violation.” Employees, business partners and customers worldwide can report misconduct or regulatory violations along a variety of channels. In addition to a dedicated e-mail inbox and traditional mail, regulatory violations can be submitted via a secure online reporting channel (BKMS) and on a 24/7 phone hotline available 365 days a year in several different languages.

There is also an option of submitting a report to an external lawyer (ombudsperson) appointed by the Volkswagen Group. If desired, reports can be made anonymously, especially when using the online reporting channel (with scope for consultation with the whistleblowers). Strict confidentiality and secrecy are maintained throughout the entire process.

The Whistleblower System guarantees the highest possible protection for whistleblowers and all individuals participating in investigating and remedying misconduct and regulatory violations. Discrimination against whistleblowers and co-workers is considered fundamentally a serious regulatory violation and will not be tolerated. At the same time, the Whistleblower System protects the interests of the persons of interest. They shall be presumed innocent until proof of a violation is obtained. The

² A structured set of rules and procedures in order to prevent the commission of the different type of crimes provided in the Italian Decree 231/01 and considered as relevant for the Company.

³ For additional information, please refer to Automobili Lamborghini S.p.A. Ethic Code Chapter Support.



processes involved in the Whistleblower System were reviewed in 2023 in light of the requirements of the German Supply Chain Due Diligence Act (LkSG) and pursuant to the Italian Decree 24/2023, and adjustments were made where necessary. A corresponding code of procedure for the [complaints process](#) was published on the Company's website for the Whistleblower System.

Risk analysis

The regular risk management process includes a quarterly risk process (RQP) and the annual ICS process. Risk assessments pertaining to human rights are conducted by internal key divisions, including the updates of the countermeasures taken. The annual process supports the recording of potential risks by means of a list of focus areas, which also includes potential risks arising from the violation of human rights. On regular basis, risk management reports are submitted to the local and Group Management.

Qualification of employees

The aim of the Company is to ensure a prompt and precise dissemination of the Italian Decree 231/01 Organizational Model and the Ethic Code content to every employee and third party that cooperates with Automobili Lamborghini.

Therefore, information disclosure and training to employees at all hierarchical levels play a crucial role within our organization. Starting from mid - 2020, a dedicated Compliance Web Based Training has been in place concerning Ethic Code, including the topic of human rights protection, as well as topics related to the Whistleblower System. Additionally, members of the senior management confirm their knowledge and responsibility with regard to the Ethic Code each year by signing their own declaration.

Since 2024, a web-based course on Human Rights respect has been developed based on the Volkswagen Group web -training with regards to LkSG.

Target group-oriented communication and training measures for employees at all hierarchical levels play a key role in this. During the reporting period, specific communication and training activities continued to focus primarily on the Ethic Code, the Whistleblower System and the prevention of corruption.

3. Measures in the supply chain: Sustainability requirements for our Business Partners

In order to maximize the benefits of potential synergies, we select suppliers in close consultation with Volkswagen Group Procurement. All measures and efforts taken by the Volkswagen Group in promoting sustainability in the supply chain, as well as to safeguard and respect human rights also contribute to achieve Automobili Lamborghini's goals, in addition to the independent activities undertaken by the Company.

Although each Business Partner has its own responsibility for running its business ethically, Automobili Lamborghini does not tolerate any form of modern slavery in its activities or supply chains.

Additionally, to complying with the principles of the Ethic Code, the Company fully acknowledges the Volkswagen Group's requirements in terms of sustainability, which are referenced in the nomination agreement, contracts and related purchase orders for parts and general purchases.

Lamborghini has also adopted the [Volkswagen Code of Conduct for Business Partners](#) and anchored it as binding part of the contract. These requirements for Business Partners are essential for successfully managing the business relationship between Lamborghini and its Partners. This includes adherence to human rights – e.g. the prohibition of child labour as well as environmental protection and fair market behaviour.

For all third parties who have business relations with the Company and/or act on behalf of Lamborghini, relevant compliance clauses in relation to the Organizational Model 231/01 and the Ethic Code are present in all their respective contracts.

This commitment outlines the expected conduct of Business Partners with respect to key environmental, social and compliance standards. Internationally acknowledged human rights are updated and included in these standards which can be consulted on the website page: www.vwgroupsupply.com.

The development and implementation of responsible supply chain management is a central component of our procurement processes. Our commitment in this area is aligned with three strategic focus areas: the environment, people and innovation.



A key measure introduced in 2019 is the mandatory sustainability rating (S-Rating), which is now fully integrated according to the Group Roll-out plan. S-Rating indicates relevant⁴ suppliers' sustainability performance and opportunities for continuous improvement. It evaluates the ecological performance of suppliers as well as their social sustainability and integrity. Specifically, it requires a policy on human rights, including measures against forced or compulsory labour and human trafficking. The S-Rating is directly relevant to our direct suppliers in terms of contract awards. Suppliers who do not meet our sustainability compliance requirements will not be awarded contracts according to Group rules. This is a direct incentive for suppliers to improve their sustainability performance. Additionally, sustainability is an established part of the competence profile for all Procurement employees.

In the sense of partnership, however, the S-Rating also aims to enable suppliers who have not yet demonstrated satisfactory performance to do so. By doing so, we seek to achieve positive effects on both people and the environment. In principle, all Suppliers have the opportunity to undergo a re-evaluation after implementing improvement measures.

Another important component of sustainable supply chain management is the Group's Supply Chain Grievance Mechanism, which is used to investigate indications of possible violations of our sustainability requirements. The channel is accessible on Audi's website via the AUDI AG Whistleblowing System and is open to all potentially affected parties and stakeholders, such as employees of direct and indirect suppliers, civil society actors or representatives of communities in the immediate vicinity of our production sites.

Since 2020, voluntary in-depth human rights training has also been available for Suppliers. This training covers aspects such as child labour, forced labour and discrimination. In the year under review, the Audi Group began systematically rolling out the training to supplier companies with higher sustainability risks. In addition to the training courses, the VW Group is providing current suppliers with an e-learning module on sustainability in eight languages.

We use a large number of channels for raising awareness among suppliers. These include the information on the [ONE. Group Business Platform](#), on Audi website, the [S-Rating Information Hub](#) and supplier training opportunities.

Moreover, before undertaking business relationships with Business Partners, the Company follows a pre-qualification process, based on a constructed method taking into account data provided by the Partner, either through a verification tool based on the peculiarity of the market where the Partner operates or based on a risk-oriented approach.

Media screening: digital innovation in the supply chain

Monitoring supply chains is an extremely complex task. For this reason, the VW Group operates a holistic risk monitoring system that combines different methods and systems. In addition to traditional and reactive channels, such as the complaint mechanism, the VW Group employs digital tools for automated and proactive monitoring. As part of media screening, publicly available news, including social media channels or local news media, is collected. Subsequently, artificial intelligence (AI) evaluates the information semantically and consolidates the various sources. The AI understands the meaning of the reports and classifies them according to suspicion of potential sustainability violations. If the tool identifies indications of possible violations of our Code of Conduct for business partners, these are checked and, if necessary, processed in the Supply Chain Grievance Mechanism of Volkswagen.

Raw Material Due Diligence Management System

Raw material supply chains require special attention. Here, the Volkswagen Group implements the five steps of the OECD's "Due Diligence Guidance for Responsible Business Conduct" and adheres to the requirements of the "OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas". In 2020, a raw material due diligence management system was implemented, which is based on the OECD. It is used to identify, assess and prevent actual and potential human rights risks in our upstream raw material supply chains and focuses on 18 particularly high - risk raw materials.

⁴ The relevance of a business partner for the S-Rating comes from factors such as company size or risk exposure, which is derived from the type of service.



Outlook

Our Company will continue to guarantee the same intolerance toward human rights violations by updating its internal rules and risk analysis and by raising awareness among its employees and Business Partners about the non-acceptance of any forms of modern slavery and human trafficking as examples of human rights' abuses. To affirm Automobili Lamborghini's commitment to respecting and upholding human rights in general, and specifically to condemning forced labor and human trafficking, in particular, the Company acknowledges the importance of disclosing the principles of the Ethic Code to all individuals acting on behalf of Lamborghini, whether they are employees or third parties.

Automobili Lamborghini S.p.A.
July 2024

A handwritten signature in blue ink, appearing to read "St. Winkelmann", written over a horizontal line.

Stephan Winkelmann
Chairman & Chief Executive Officer of Automobili Lamborghini S.p.A.

A handwritten signature in blue ink, appearing to read "P. Poma", written over a horizontal line.

Paolo Poma
Managing Director & CFO of Automobili Lamborghini S.p.A.