



# **Automobili Lamborghini S.p.A.**

Legal Headquarter in Sant'Agata Bolognese (BO), 40019, Via Modena 12  
Tax code and VAT number 03049840378

## **Organizational Model**

Pursuant to Legislative Decree June 8, 2001, n. 231, bearing provisions governing administrative liability of legal entities, companies and associations including those that are not incorporated and subsequent modifications and integrations.

### **General section**

Organizational Model approved the first time by the Board of Directors in 2010 and afterwards updated several times, most recently with the deliberation dated November 30<sup>th</sup>, 2023



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<i>4-Eyes Principles</i>	Essential principle of the Internal Control System for which no operation, transaction or business activity may be carried out without the authorization of at least two people belonging to different functions, according to the proxy and delegation system in place
<i>Managing Director</i>	Member of the Board of Directors of Lamborghini S.p.A.
<i>Activities exposed to the risk of crime or sensitive activities</i>	Indicate the processes, operations or acts or set of operations and acts in the performance of which, in relation to the types of crimes, it is abstractly possible, on the part of the people who carry out their activity for the Company, the commission of a crime included in these cases
<i>Areas exposed to the risk of crime</i>	Functions, offices and/or departments within which crimes may abstractly be committed
<i>CCNL</i>	National Collective Labour Agreement of "Industria metalmeccanica e della installazione di impianti", applied by Automobili Lamborghini S.p.A.
<i>Ethic Code</i>	The Ethic Code adopted by Automobili Lamborghini S.p.A. contains the general ethical principles of conduct, recommendations, obligations and prohibitions that the Company, employees and collaborators of Automobili Lamborghini are required to know and respect. The Ethic Code constitutes integration and completion of the Organizational Model and of any act or procedure or rule adopted to ensure the fulfilment of the latter.
<i>Board of Directors</i>	The Board of Director of Automobili Lamborghini S.p.A.
<i>Collaborators</i>	It is meant any person who has a collaborative relationship in place, without being subject to subordination, agency, representation and/or other professional relationships that are not of a subordinate nature.
<i>Sales Partner</i>	It is meant subjects or organizations that sell Lamborghini brand products, spare parts, after-sales services, and financial services to final customers on the basis of licenses issued by Automobili Lamborghini S.p.A., involving individuals or legal entities as external business partners. These subjects have a contractual relationship with Automobili Lamborghini S.p.A. and act in the interest or at the request of the Company.
<i>Decree o D.Lgs 231/01 or Decree 231/01</i>	Legislative Decree no. 231 of 8 June 2001, as successively revised and integrated
<i>Recipients</i>	Parties responsible for complying with the provisions of this Model pursuant to the Decree, such as, by example, but not limited to, Corporate Bodies, Managing Directors, Statutory Auditors, Employees, Consultants, Agents, Collaborators and Partners, as well as those who operate on behalf of the Company and all those who, directly or indirectly, permanently or temporarily, establish, for any reason whatsoever, including de facto, relations or negotiation/collaboration, relations in the interest of or on behalf of the Company itself.
<i>Employees</i>	All persons who have a subordinate or self-employed relationship with Automobili Lamborghini S.p.A. including managers and FSE, as defined in art. 2, paragraph 1, letter (a) of Legislative Decree 81/08.
<i>Entity</i>	Collective organization with a certain organizational autonomy, to which Legislative Decree 231/2001 applies and refers, which makes specific reference to legal identity, companies and associations even without legal identity (e.g. corporations, partnerships, associations, foundations, cooperatives and mutual insurance companies, consortia with external activity).



<i>Suppliers</i>	Suppliers of goods and services of Automobili Lamborghini S.p.A. that do not belong to the definition of Partner.
<i>Audi Group or Group</i>	It is meant the Group of Audi AG Ingolstadt - to which Automobili Lamborghini S.p.A. belongs - and which in turn is part of the VW Group, headed by Volkswagen AG.
<i>Automobili Lamborghini, Lamborghini, AL, Company</i>	Automobili Lamborghini S.p.A. - company with sole shareholder part of the Audi Group, based in Sant'Agata Bolognese (BO), via Modena 12, which adopts this Model
<i>Guidelines</i>	The "Guidelines for the construction of Organization, Management and Control Models pursuant to Legislative Decree 231/2001", prepared by Confindustria (Confederation of Italian Industry)
<i>Model, Organizational Model or MOGC</i>	Organizational, Management and Control Model adopted by Automobili Lamborghini S.p.A., pursuant to articles 6 and 7 of the Decree. The Model is constituted in its entirety by the General Section, the Special Sections and the Annexes.
<i>Company Organs</i>	Board of Directors and Shareholder's meeting of Automobili Lamborghini S.p.A.
<i>Company's control organs</i>	It is meant the Statutory Auditors, appointed in accordance with the Italian Civil Code and the Independent External Auditing Company in charge of the legal audit in accordance with Legislative Decree 39/2010.
<i>Independent body or OdV</i>	Indicates the Body responsible for supervising the operation and compliance with the Model, appointed by the Board of Directors of Automobili Lamborghini S.p.A. in accordance with art. 6 of Legislative Decree 231/01
<i>General section</i>	The part of the Model containing, among other things, the description of the functions of the Model and the Independent Body, as well as a description of the organization and structure of Automobili Lamborghini S.p.A.
<i>Special Section</i>	The part of the Model dedicated to the analysis of the Company's activities/processes at risk of crime (so-called sensitive activities), with specific description of the individual activities, the Company areas/functions involved, the crimes at risk of being committed under the specific sensitive activity, as well as the procedures and/or controls adopted to prevent their commission.
<i>Public Administration o P.A.</i>	It is meant all public entities and parties (State, Ministries, Regions, Provinces, Municipalities, etc..) and public law bodies, concessionaires, contracting authorities, mixed limited liability companies, etc..) and all other entity who perform in some way the public function in the interest of the community and therefore in the public interest.
<i>Crimes</i>	The types of crime to which the provisions of the Decree apply. The Organizational Model of Automobili Lamborghini S.p.A. includes the list of the Crimes provided for by the Decree updated on the date of approval of the MOGC.
<i>Internal control system</i>	The set of procedures, processes, application practices and management and information systems adopted by Automobili Lamborghini S.p.A. and aimed at the governance and control of all company activities. The Internal Control System also includes the rules for the assignment of powers of signature.



<i>Health and Safety Management System (In Italian "SGSL") at workplace</i>	Company organizational system aimed at ensuring the achievement of the objectives of health and safety at work, in compliance with the provisions of art. 30 of Legislative Decree 81/2008 and suitable to prevent the crimes referred to in Articles. 589 and 590 c.3 of the Penal Code committed in violation of accident prevention rules on the protection of health and safety at work.
<i>Disciplinary system</i>	The disciplinary system adopted according to articles 6 and 7 of the Decree
<i>Apical subjects</i>	Indicates the individuals with autonomous power to make decisions in the name and on behalf of the Company, within the exercise and limits set by their respective mandates. Pursuant to Article 5, paragraph 1, letter A) of Legislative Decree 231/2001, these are persons who are representatives, directors or managers of the company or one of its organizational units with financial and functional autonomy as well as by people who exercise, even de facto, management and control thereof
<i>Persons subject to others' direction or Subordinated</i>	Indicates individuals subject to the direction or supervision of one of the Apical persons as indicated in art. 7 of the D.Lgs. n. 231/2001
<i>TUS</i>	Consolidated Law on Security, as per Legislative Decree n.81 of 9 April 2008 and subsequent revisions and integrations



## 1. LEGISLATIVE DECREE JUNE 8, 2001 NO. 231

### 1.1. Liability of legal entities, companies and associations

The Legislative Decree 8 June 2001, No. 231 (hereinafter also referred to as the “Decree”) has introduced in the Italian Legal system the administrative liability related to crimes of legal entities (with the definition of Entity it refers to Companies, Association, consortium, hereinafter also referred to as “Entities”) for types of crimes committed in its interest or for its benefit by (i) individuals who hold a representative, administrative or managerial position in the Entities or in one of their organizational units that enjoys financial and functional independence, or individuals that, represent, manage and control, also *de facto* the Entities, (ii) or individuals subordinate to the management or supervision of one of the subject referred above. This responsibility is added to the (criminal) liability of the natural person who has committed the offense.

The extension of liability aims to involve in the punishment those Entities that have benefited, directly or indirectly, from the commission of the offence. The sanctions laid down by the Decree could be pecuniary or disqualification as mentioned in the par.1.4 General Part of this Model.

Furthermore, it is worth mentioning that the Entity’s liability is provided for attempted crimes and for crimes committed abroad, within Entity’s operation that has its headquarters in the territory of the Italian State, unless the Judicial Authority of the State in which the crime has been committed decides to start the prosecution.

### 1.2 Types of crime

The responsibility of the Entity is foreseen not for any kind of crimes but only for the crimes expressly indicated by the Legislator within the Decree. Annex A reports the types of offences referred to the Decree at the date of the Model approval (Types of Crimes) divided in categories. Referring to Annex C for more details, a summary grouped by families of these crimes is provided as:

- Offences in relations to the **Public Administration** (e.g. bribery, graft/extortion, embezzlement against the State, fraud against the state, computer fraud against the State, and improper induction to give or promise utility) as mentioned in the Artt. 24 and 25 of D.Lgs. 231/2001;
- **Computer crimes and illegal data processing** (e.g. unauthorized access to computer or remote system, installation of equipment designed to intercept, prevent or interrupt computer or electronic communications, damage to computer systems or telecommunications) as mentioned in the Art. 24 bis of D.Lgs. 231/2001);
- Offences related to **criminal association** (e.g. mafia-style association, including also foreign mafia, election exchange between politics and mafia, kidnapping aimed at robbery or extortion) as mentioned in the Art. 24 ter of D.Lgs. 231/2001);
- Offences against **public faith** (e.g. forging money, public credit notes, revenue stamps or instrument of recognition signs as mentioned in the art. 25 bis of D.Lgs. 231/2001);
- Offences against **industry and commerce** (e.g. disruption of the freedom and commerce, fraudulent trading, sale of industrial products with false signs) as mentioned in the art. 25 bis.1 of the of D.Lgs. 231/2001;
- **Corporate crimes** (e.g. false corporate communications, impeding control, unlawful influence over quota/shareholders’ meeting, private corruption as mentioned in the art. 25 ter of D.Lgs. 231/2001, amended by Law 262/2005 and recently with the D.Lgs. n. 39/2010, with Law 190/2012, with D.Lgs. 38/2017 with the Law 3/2019 and lastly with D.lgs. 19/2023);
- Offences related to **terrorism or subversion of democracy** as mentioned in the art. 25 quater of D.Lgs. 231/2001;
- Offences against **individuals** (e.g. crimes concerning trafficking or of maintaining individuals to slavery or servitudes) as mentioned in the art. 25 quater.1 and in the art. 25 quinquies of D.Lgs. 231/2001;



- Offences on **Market Abuse** (e.g. abuse of inside information and market manipulation) as mentioned in the art. 25 sexies of D.Lgs. 231/2001;
- **Transnational Crimes** (e.g. Criminal association and the crimes concerning the impediment to justice, when are considered as transnational crimes);
- Crimes related to the **violation of health and safety at workplace** (e.g. Manslaughter and culpable serious or very serious injuries committed in violation of the regulations referring to respecting health and safety at the workplace) as mentioned in the art. 25 septies of D.Lgs. 231/2001
- Receiving, Money laundering, using of money, goods or profit from illegal activities and self- laundering crimes (overall mentioned in the art. 25 octies of the D.Lgs. 231/2001);
- Crimes relating to **non-cash payment instruments** (referred to in Article 25-octies.1 Legislative Decree 231/2001);
- Crimes in **violation of Copyright Law** as mentioned in the art. 25 nonies of D.Lgs. 231/2001;
- Crimes of inducing individuals into not making statements or in making false statement to judicial authorities as mentioned in the art. 25 decies of D.Lgs. 231/2001;
- **Environmental crimes** as mentioned in the art. 25 undecies of D.Lgs. 231/2001;
- Crimes of employment of citizen of foreign countries whose stay is illegal as mentioned in the art. 25 duodecies of D.Lgs. 231/2001;
- **Crime of racism and xenophobia** (art. 25 terdecies D.Lgs 231/2001);
- **Crimes of fraud in sports competitions**, abusive gaming or betting and gambling exercised by means of prohibited equipment (art. 25 quaterdecies D.Lgs 231/2001);
- **Tax crimes** (art. 25 quinquiesdecies of D.Lgs 231/2001);
- **Smuggling offences** (art. 25 sexiesdecies of D.Lgs 231/2001);
- **Crimes against cultural heritage** (Art. 25-septiesdecies and Art. 25-duodevicies).

In addition to these cases, there is also the offence set out in art. 23 of the Decree, which provides that anyone who, in the performance of the activity of the entity to which a penalty or precautionary disqualification measure has been applied, violates the obligations and prohibitions inherent in such penalties or measures, as set out in the following paragraph, is punished.

### 1.3 Requirements for liability and authors of crimes

For the administrative liability of Entities, it is necessary that the supposed crimes have been committed in the interest or for the benefit of the Entity from one of the following persons:

- Individuals who hold a representative, administrative or managerial position in the Entities or in one of their organizational units that enjoys financial and functional independence, or individuals that, represent, manage and control, also *de facto*, the Entities ("**Apical Subjects**");of
- Individuals subordinated to the management or supervision of one of the subject referred above ("**Subordinated**");

Moreover, the Entity's liability is subject to the following conditions:

- The crimes committed in the interest of the Entity, namely in order to privilege the entity, regardless from the fact that the goals have been actually reached;
- The crime has advantaged the entity regardless from the intention of the individual who has committed it.

Therefore, the Entity is not responsible if the authors of the crime have committed it in their own interest or in the interest of third parties.

The responsibility pursuant to the Decree is an additional one and not a replacement or an exclusion of the responsibility for individuals who materially have committed the crimes and it is autonomous from the latter; in fact, pursuant to the art. 8 of the Decree, the Entity could be considered liable even though the author is not punishable, has not been found or the crime is extinguished for causes different from amnesty.



## 1.4 Crimes committed abroad

According to art. 4 of D.Lgs. 231/2001, the entity may be called to answer in Italy in relation to Offences - envisaged by the D.Lgs. 231/2001 - committed abroad<sup>1</sup>.

The Descriptive Report to the D.Lgs. 231/2001 underlines the necessity of not leaving unpunished a criminal situation that can actually occur in practice, also in order to avoid any circumvention in the regulatory system in question.

The assumptions, on which the Company's liability for crimes committed abroad is based, are as following:

- I. the Offence must be committed by a person functionally linked to the entity, pursuant to Article 5, paragraph 1, of Legislative Decree no. 231/2001;
- II. the entity must have its head office (HQ) in the territory of the Italian State;
- III. the Company may respond only in the cases and under the conditions set out in Articles 7, 8, 9, 10 of the Criminal Code (in cases where the law provides that the guilty party - a natural person - is punished at the request of the Minister of Justice, proceedings are taken against the Company only if the request is also made against the company itself<sup>2</sup>) and, also in compliance with the principle of legality set out in Article 2 of Legislative Decree no. 231/2001, only in relation to offences for which its liability is provided for an ad hoc legislative provision;
- IV. if the cases and conditions referred to the aforementioned Criminal Code articles are present, against the entity shall not proceed the State at the place where the offence was committed.

## 1.5 Sanctions provided in the Decree

Art. 9 of the Decree foresees the following sanctions that can be imposed on the Entity:

- a) pecuniary sanctions;
- b) disqualification/prohibitory sanctions;
- c) confiscation/forfeiture;
- d) publication of the judgment.

The **pecuniary sanctions** are established by the Judge through a system of "quotas", that cannot be less than 100 and not more than 1000 and the amount of every single quota shall be within a minimum of € 258 and a maximum of € 1.549. In case of pecuniary sanction, the Judge determinates:

- the number of quotas in consideration to the seriousness of the crime, the level of Entity's liability and the activities implemented for avoiding or mitigating the consequences of the event and for preventing the commission of further crimes.
- the amount of single quota based on the economic and financial conditions of the Entity.

The sanction to be imposed in concrete terms is established by the Judge, on the basis of the criteria established by art. 11 of the Decree or, in other words, the seriousness of the fact, the degree of responsibility of the Entity, the activity performed by the Entity to delimit or mitigate the consequences of the fact and prevent the commission of further Offences, economic and financial conditions of the Entity.

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<sup>1</sup> Article 4 of D.Lgs. 231/2001 provides as follows : "1. In the cases and under the conditions provided for by articles 7, 8, 9 and 10 of the criminal code, the entities having their headquarters in the territory of the State are also liable in relation to crimes committed abroad, provided that the local State does not proceed against them in which the fact was committed .

<sup>2</sup> In cases where the law provides that the guilty party is punished at the request of the Minister of Justice, proceedings are taken against the entity only if the request is also formulated against the latter".





It is worth mentioning that in case of homicide and personal injury linked to the violation of the health and safety at work place cannot be sanctioned with a fine less of 1000 quotas. Moreover, in some cases, the pecuniary sanction can be increased.

The **prohibitory sanctions** can only be applied, in conjunction with the pecuniary sanction, when expressly provided for and in relation to administrative offenses specifically listed in the Decree if certain conditions are fulfilled, and are:

- disqualification from conducting business;
- interruption or annulment of authorizations, licenses, permission functional to the commission of the crime;
- prohibition of entering into agreements with the Public Administration, except for obtaining a public service;
- exclusion from facilities, loans, grants and subsidies, as well as the revocation of those already granted if any;
- prohibition of advertising goods and services.

The prohibitory sanctions have duration from 3 months up to 2 years and in particular and exceptional serious cases can be imposed also in a definitive way.

Prohibitory sanctions are applied only in relation to those Offences for which they are expressly provided for and provided that at least one of the following conditions is met:

- a) the entity has obtained a significant profit from the commission of the offence and the offence was committed by persons in a top management position or by persons subject to the management of others when, in the latter case, the commission of the offence was determined or facilitated by serious organisational shortcomings;
- b) in the event of repetition of the offences.

On the contrary, the application of prohibitory sanctions is excluded when the entity has engaged in the reparative conduct envisaged by Article 17 of D.Lgs. 231/2001 and, more specifically, when the following conditions are met:

- a) the entity has fully compensated the damage and has eliminated the harmful or dangerous consequences of the offence or has in any case effectively taken action in this regard;
- b) the company has eliminated the organisational shortcomings that led to the offence through the adoption and implementation of organisational models suitable for preventing offences of the type that occurred;
- c) the entity has made available for confiscation the profit obtained.

In choosing the applicable prohibitory sanction, the Judge must comply with the same criteria already seen above for monetary measures. In particular, it is required that the prohibitory sanction has the character of specificity, i.e. it relates to the specific activity to which the offence committed by the entity refers.

Among the various prohibitory measures, that of suspension from carrying out the activity cannot be applied except when the imposition of any other sanction is inadequate<sup>3</sup>.

It is also possible that several prohibitory sanctions may be applied jointly.

Moreover, the prohibitory sanction could be applied also as interim measures when there are strong evidence of the entity's responsibility and when there are specific and well proved elements that raise the possibility of further crimes of the same nature being committed. The precautionary measures may not last more than one year.

The **confiscation** of the price or the profit of the crime is always applied in case of conviction judgment of the entity; in the case in which the confiscation of the price or profit of the crime is not possible, the

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<sup>3</sup> In cases where the conditions exist for the application of a disqualification sanction involving the interruption of the Entity's activity, if the Entity performs a public service or a service of public necessity whose interruption may cause serious harm to the community, or if the interruption of the activity, given the size of the Entity and the economic conditions of the territory in which it is located, it may have significant repercussions on employment, it is provided that the Judge may, in place of the disqualification sanction, order that the activity of the Entity continue under the guidance of a commissioner for a period equal to the duration of the sanction that would have been imposed



confiscation could be order for other amount of money, goods or other goods of the same value of the price or the profit of the crime (confiscation for equivalent).

The **publication of the judgment** consists in the publication of an abstract of the conviction or the entire judgment with the expenses borne exclusively by the Entity on one or more newspaper decided by the judge and in the publication in the municipality in which the Entity has its principal office.

## **1.6 Elements that exempt the Entity from liability**

The Decree expressly provides, in artt. 6 and 7, the exemption from the administrative liability of the Entity for crimes committed for its advantages and/or interest when the Entity has adopted effective organizational, management and control Model (hereinafter the "**Model**"), capable of preventing the commission of the crimes listed in the law.

In particular, in case in which the crime has been committed by the Apical Subjects, the Entity is not responsible if proves that:

- The management body of the Entity has adopted and effectively implemented, prior to the commission of the crime, organizational, management and control models capable of preventing the commission of crimes of the same nature of the one committed;
- The task of supervising on the functioning and on the effective compliance of the Model has been entrusted to an Independent Body provided with independent decision making and control powers;
- The individuals that have committed the crimes have fraudulently circumvented said organizational and management models;
- There is no evidence of omitted or insufficient control by the Independent Body on the functioning and compliance of the organizational and management models

In the case of an Offence committed by Apical Subjects there is, therefore, a presumption of responsibility of the Entity due to the fact that these subjects express and represent politics and, therefore, the will of the Entity itself.

In order to be exempt from liability, the Entity must, therefore, demonstrate its extraneousness to the facts alleged against the Apical Subject by proving the existence of the above-mentioned competing requirements and, consequently, the circumstance that the commission of the crime does not derive from its own "organizational fault".

For the crimes committed by the Subordinated, the Entity can be held liable when it has been proved that the commission of the crimes was made possible by the failure to comply with the obligations of managing and supervision. In this case, the Decree has recognized the Entity's liability for violation of the control and supervising powers, that are, typically, the tasks of the top management of a Company (or of the subjects delegated by them).

There is no failure to comply with the obligations of managing and surveillance, if the entity, prior to the commission of the crime, has adopted and effectively implemented an organizational, management and control model capable of preventing the commission of crimes of the same nature of the one committed. The burden of proof of demonstrating that the organizational model has not been adopted, however, unlike in the case of a crime committed by the Apical Subjects, lies with the prosecution.

The simple adoption of the Model by the management body is not sufficient for the exemption of the responsibility of the entity, being necessary that the Model would be suitable, efficient and effective. On this regard, the Decree lists the main requirements that the organization, management and control model has to meet.

In particular, to prevent crimes, the Model shall (Art. 6 c. 2 of Decree):

- Identify and define the activities of the companies where the crimes listed in the Decree can be committed;



- Provide for specific protocols with the aim of planning the making and implementation of the decision within the Entity in relation to the crimes to be prevented;
- Establish the procedure of finding and management of economic resources capable of preventing the commission of such crimes;
- Provide for duties of information towards the Independent Body entrusted of supervising and of compliance of the organizational, management and control model, in order to allow the concrete operational capability;
- Introduce an internal disciplinary system capable of sanctioning the failure to comply with the measures indicated in the organizational, management and control model, in order to guarantee its effectiveness.

Moreover, with reference to the effective implementation of the Model, it is provided for (Art. 7 c.4):

- Regularly check and eventual modification of the Model when some violation of the prescriptions have been discovered or when change in the organization or in the activity of the company has been carried out;
- Introduction of an internal disciplinary system in order to sanction the failure to comply with the measures indicated in the Model.

At these requirements, it shall be added, with reference of the crimes committed for violation of the prescriptions of health and safety at workplace, those specifically listed in Art. 30, c. 1, of D.Lgs. 9 April 2008, No. 81 ("D.Lgs. 81/08"), according to which the organizational Model shall be construed in a manner that allows the company's system to fulfil all the obligations contained herein.

Moreover, the Model shall provide for suitable registration system of all the fulfilment of all the activities described above and an articulation of functions able to ensure all the technical competence and all the required powers necessary for the check, evaluation, management and control of the risk.

### **1.7. The Holding's liability for the crime committed in the Subsidiary**

As also highlighted by the Confindustria Guidelines in their latest updated version, the holding/controller company may be held liable for the offence committed in the subsidiary's activity if:

- a crime has been committed in the immediate and direct interest or advantage not only of the subsidiary but also of the holding;
- natural persons functionally linked to the holding have participated in the commission of the crime by making a causally significant contribution (Cassation, Fifth Penal Section, sentence no. 24583 of 2011), proven in a concrete and specific manner.

### **1.8. The Organisation, Management and Control Model in the context of the Company's organisational structure**

The Organizational, Management and Control Model is an integral part of the organizational, administrative, and accounting structure that the entrepreneur has the duty to establish pursuant to art. 2086 of the Italian Civil Code.

In fact, in its being oriented towards preventing the commission of the Offences provided by Legislative Decree 231/2001, it is an element that minimizes the risk of sanctions that could potentially have a negative impact on the business continuity and, at the same time, offers a valid tool for the timely detection of critical situations.

In this sense, the Board of Directors provides for the continuous updating and cares for the constant implementation of the Organizational Model.



## **2 AUTOMOBILI LAMBORGHINI ORGANIZATIONAL, MANAGEMENT AND CONTROL MODEL**

### **2.1 The Company and its organizational structure**

Automobili Lamborghini S.p.A. is a company part of the Audi Group, a German multinational group active in the automotive sector, which in turn is part of the VW Group.

The Company, with registered office in Sant'Agata Bolognese, Via Modena, 12, carries out study, design, development and production, sales, repair and rental of vehicles and prototypes, its engines, accessories and spare parts for its own account and/or for third parties as well as study, design, production and sales, for its own account or for third parties of articles and clothing accessories, and licensing.

The activity of research and development in the field of composite and innovative materials, the sale and licensing of patents, trademarks, industrial designs as well as the organization of events, and sports car racing complete the description of the Company's object.

Automobili Lamborghini is 100% controlled by AUDI AG and has also the object to carry out the activity of acquisition of shareholdings in other companies/entities, in the automotive field.

The Company carries out its role of holding for all industrial and commercial activities of the Group in Italy and therefore it controls:

- 100% of Volkswagen Group Italia S.p.A.
- 100 % of Italdesign Giugiaro S.p.A.
- 100% of Ducati Motor Holding S.p.A.

The Company has a "traditional" administration and control system, composed by the following bodies:

- i. Board of Directors with the managing power of the Company pursuant to in Art. 2380-*bis* of the civil code;
- ii. Statutory Auditors with "administrative control" functions pursuant to Art. 2403 of civil code;
- iii. External Auditors in charge of the accounting control pursuant to civil code;

The Company has established an internal Comitato di Direzione that is regulated according to appropriate Standing Orders. It consists of the direct reports to the Chief Executive Officer and meets regularly to discuss and approve the main activities concerning the Company, including policies, procedures, and the compliance projects also launched at Group request.

Today the Company has a workforce divided into different functional areas so called:

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With reference to the areas abovementioned, it is clarified that Legal activities are allocated within the Finance Department, while the activities of Compliance & Risk Management (GRC) reports directly to the Chief Executive Officer. This organizational solution has also been implemented at the request of Audi AG, to guarantee full segregation and independence of legal activities from compliance activities and vice versa.

## **2.2 Purposes of the Company**

Among the purposes that the Company is pursuing, there is the need to ensure the legality, correctness, and transparency in the management of its business and its activities, in order to safeguard either its position and image in the market either the expectation of its shareholders, clients and employees thus the community.

To reach aforementioned purpose, the Company has adopted, since time, a business governance system construed in accordance with and responding to the best international practice.

In consideration of the foregoing, the Company has deemed consistent with its business policy and objectives the adaptation of its governance system to the provisions set forth in the Decree and proceed to the preparation, adoption, and progressive updating of an organizational, management and control model.

With the adoption and constant updating of this Model, Automobili Lamborghini intends to pursue the following main purposes:

- to determine in all those who operate in the name and on behalf of and in any case in the interest or to the advantage of the Company and, in the "231 risk areas", or in the areas where the relevant crimes under the Decree can be carried out, the awareness of the duty to comply with the provisions contained therein and more generally with the company regulations;
- inform the Recipients that the commission, even attempted, of a crime and administrative offence relevant under Legislative Decree 231/01 - even if carried out for the benefit or in the interest of the Company - represents a violation of the Organizational Model and/or the Ethic Code and constitutes an offence punishable by criminal and administrative sanctions, not only against the perpetrator of the Offence, but also against the Company, with the consequent application to the same of the relevant sanctions;
- allow the Company, thanks to a close control and monitoring of the areas with respect to the potential commission of Offences relevant for the purposes of the Decree and the implementation of ad hoc instruments, to intervene promptly to prevent or contrast the commission of the Offences themselves.

## **2.3 Preparatory activities prior to the adoption and updating of the Model**

### **▪ *Provision of the Decree and Guidelines of Confindustria***

The preparation and subsequent updates of the Model have been preceded by several preliminary activities in line with the provision of the Decree:

- a) "Identification of risks", i.e. analysis of the company's context in order to recognize in which area/sector of the business and according to which modalities, hypothetically a crime indicated in the Decree could occur;
- b) "Construction of the control system" (c.d. protocols regarding the scheduling of training and implementation of the entity's decision scheduling), i.e. evaluation of the entity's existing system and its eventual adaptation in order to render it suitable to effectively struggle the identified



risks, namely to reduce risks to an "acceptable level" taking into account: i) the probability of occurrence of the event; ii) impact of the event.

With the compliance of these requirements, the organization and management models can be adopted on the basis of code of practice drawn up by the trade union associations considered as suitable by the Ministry of Justice.

Automobili Lamborghini in this regards, has construed its organizational Model according to the methodology and criteria indicated in the "Guidelines of Confindustria for the construction of organizational, management and control Models pursuant to D.Lgs. 231/2001" ("**Confindustria Guidelines**") issued on March 7<sup>th</sup>, 2002 and subsequent, repeatedly and amended lastly in June 2021.

It should be noted, however, that the possible deviation from specific topics of the Guidelines used as reference does not affect, itself, the validity of the Model.

The single Model, due to the fact that has to be developed with reference to the concrete Entity' peculiarity, may differ from the Guidelines (which, by their nature, are of a general standard) for a better respond to the prevention requirements as mentioned in the Decree.

▪ ***Operational steps and applied methodology***

Since the Model is a "document issued by the Company's Management", in accordance with the provision of Article 6, paragraph 1, letter a) of the Decree, the adoption, the following amendments and integrations are in the responsibility of the Company's Board of Director or of the Managing Directors.

The following phases of activities have been carried out for the preparation and any subsequent updates of the Model, with a further preliminary phase related to the sharing with the management with the aim of an effective involvement in the activities necessary to the adoption of the Model.

The above-mentioned preliminary activities have been carried out through a *self-assessment* activity (with the support of external consultants) related to the examination of the Company's documentation (charts, *policy*, procedures, proxies etc.) of the processes, Company's practice, and interviews with the personnel. All the documentations with the evidence of the work carried out are stored in the Company's headquarter and are integral part of the Automobili Lamborghini's Model.

The same activities, as applicable, will be implemented for any future Model's updates.

▪ ***Mapping of "area at risk of crime" and analysis of potential risks***

The first phase of activity was related to the identification within the Company's areas whereby theoretically is possible to assume the probable commission of the offenses referred to the Decree.

Afterwards, for every "area", specific activities at risk of crime (sensitive activities) pursuant to the Decree have been identified and for each of said area, have been acknowledged the possible forms of offenses committed.

In the identification of the sensitive activities have been considered either the activities that are directly linked at crime risk, either those "instrumental", namely those activities that - even not directly relevant pursuant to the Decree - might be, in principle, as conditions, occasions or means for the commission of crimes.



## ▪ **Risk assessment**

After the mapping of the area at risk of crime, an evaluation of the internal control system has been carried out through:

- I. Check, within the risk area and with reference to the activities above described, of the preventive control (i.e. formalized procedures, operative practice, segregation of duties, system of financial resources management etc.) that potentially exists within the Company and their suitability to guarantee that the risk of commission of crimes are reduced to an "acceptable level" ("*as is analysis*");
- II. Identification, within the existing control system, of possible lack or criticality and the subsequent corrective actions necessary to improve said system ("*gap analysis*").

Within said activity, the suitability of the financial resources system adopted by the Company has been evaluated, with the aim to ensure the accountability, traceability, and transparency of the expenses.

## ▪ **Construction of the other sections of the Model**

In this phase the further sections of the Model have been construed through:

- a) the update of the Ethic Code of the Company in order to adjust its contents with the aims contained in the Decree and the Guidelines;
- b) the provision of a standard contractual clause to be inserted in the main contracts concluded by the Company with its supplies, clients, distributors, brokers and with all the third parties with whom it has relationship in activities considered at risks pursuant to the Decree;
- c) the definition of the disciplinary and sanctioning system (in addition to the provision foreseen in the applicable CCNL) as consequences to the possible violation of the Ethic Code and the Model;
- d) the appointment of an Independent Body with the provision of powers, prerogative, and faculties necessary to fulfil the needs of control on the functioning, effectiveness and compliance with the Model.

## **2.4 Adoption of the Model**

Automobili Lamborghini has since 2010 officially adopted its own Organizational, Management and Control Model based on Decree 231/01 requirements.

Afterwards to the date of the first adoption, the Company has initiated the subsequent updates of the Model, in correspondence with the progressive introduction of new crimes in the D. Lgs. 231/2001 and organizational changes that have affected the Company over years.

In particular, from the date of the last update (December 3<sup>rd</sup> 2020) until today, the organizational changes, as well as the relevant regulatory changes pursuant to Legislative Decree 231/2001 (which have carried out to the introduction of new cases among those that may determine liability under the Decree, including tax crimes that are of particular relevance), have brought to the launch of a new project to update the Model.

The purposes that the Company intended to pursue with the adoption of the Model are, in addition to what has already been indicated in paragraph 2.2, the following:

- Create in every subject that act in the name, behalf and interest of the Company, the culture of lawfulness and the awareness of the possibility of being sanctioned, both on the administrative and criminal side, in case of violation of the provisions contained therein, not only for them individually but also toward the Company;





- Condemn any form of illicit behaviour carried out by every subject that act in the name, behalf and interest of the Company, for being contrary both to the provision of the law and to the ethical principles adopted and followed by the Company;
- Guarantee to the Company, due to a controlling and monitoring action of the business activities in the areas at risk, the concrete and effective possibility to promptly intervene to prevent the commission of the crimes.

Moreover, the Model proposes to:

- Raise awareness and disseminate to all levels of the company the rules of conduct and protocols for planning the training and implementation of the Company's decisions to manage and, consequently, avoid the risk of commission of crimes;
- Entrust the Independent Body of specific duties and adequate powers to proper monitor the effective implementation and the continuous functioning and update of the Model, as well as evaluate that over time the Model remains valid and functional;
- Enable the check on decisional processes, authorization, and their development within the Company, to ensure the preventive characterization and traceability of them in every relevant field;
- Show the training responsibilities and in the Company's decisions implementation;
- Define the methods for conferring authorization powers consistent with organizational and management responsibilities, making known the delegations of power, responsibilities, and tasks within the Company, ensuring that the acts with which powers, delegations and autonomy are conferred are consistent with the principles of preventive control;
- Evaluate the activities of all the subjects that interact with the Company, within the area at risk crime as well as the functioning of the Model, ensuring the necessary periodical update in a dynamic sense, in the case in which analysis and evaluation carried out show the need to undertake correction and update.

## **2.5 The Model and the governance of the Company**

With the adoption of the Model, the Company wanted to complete and improve its governance system represented by a structured and organic set of rules, policies, codes of conducts, procedures, and control systems to prevent the commission of the different type of crimes provided in the Decree and considered as relevant for the Company.

In particular, the adoption of the Organizational Model, has entailed the integration of the policy system, procedures, directives, and controls - where deemed appropriate - with the aim to adjust it for the fulfilment of the following fundamental principles:

- i) Verifiability, accountability, coherence, and adequacy of every operation;
- ii) Separation of functions involved in the management of each process;
- iii) Clear definition and formalization of the responsibilities and of the powers granted by the Company to single subject;
- iv) Need that each important operation has an adequate internal authorization;
- v) Provision of limits in the exercise of powers in the name and on behalf of the Company;
- vi) Consistency between the powers formally granted and those concretely exercised within the organization of the Company;





- vii) Consistency between the control systems (*included the policies, the procedures, the organizational structure, the processes, and the IT system*) and the Ethic Code adopted by the Company;
- viii) Documentation of the performed controls.

Consistently with the above mentioned principles, the governance system of Automobili Lamborghini is composed of the following elements, synthetically considered:

- **Ethic Code**

An essential element of the preventive control system is represented by the adoption and the implementation of ethical principles relevant for the prevention of the Crimes provided in the Decree, explained in the Ethic Code which, although distinct and independent from the Model, is an integral part of the latter, by virtue of the purpose pursued by Lamborghini to operate both internally and externally in full compliance with the principles of legality and fairness.

The Ethic Code of Lamborghini incorporates locally the principles of the Ethic Code of the Volkswagen Group and contains the set of values that the Company recognizes, respects and shares and which it requires compliance with all those who work with (or for) the Company.

The Model and the Ethic Code are closely related and should be understood as an expression of a single body of rules adopted by the Company to promote the high moral principles of fairness, honesty, legality and transparency in which Lamborghini believes and to which it unifies its activities.

The Model responds to the need to prevent, through the implementation of specific rules, processes and procedures, the commission of the Offences provided for by the Decree and in general by law.

The Ethic Code is an instrument of more general scope that establishes the behaviours that the Company intends to respect and enforce in carrying out its business activities to protect its reputation and image in the market.

The Ethic Code therefore illustrates the fundamental ethical principles for the Company and the related rules of conduct, which guarantee its implementation, regulating in concrete terms the behavioural principles to be observed in carrying out the Company's activities to guarantee the proper functioning, reliability and good reputation of the Company and the Group. The Ethic Code constitutes an effective tool for preventing unlawful conduct by all those who are acting in the name and on behalf of the Company and/or the Group or in any case to operate with them.

- **Organizational Structure**

The company organization charts - made available through the company intranet - show the Departments that report directly to the Chief Executive Officer of the Company and the Organizational Units that report to the individual Departments.

The structure of roles and of the tasks and responsibilities assigned, is made in accordance with the principle of powers and with the consistency between the responsibility formally granted and those concretely undertaken by every individual within the organization.

In case of organizational changes, the company's chart is duly and periodically updated in accordance with the governance principles of the Company.

- **Proxies and internal signatures**

The Company has adopted a formalized system of power of attorney and internal proxies consistent with the powers concretely exercised by the individual's belongings to the Company's organizational



structure. The system of powers of attorney and delegations adopted by Lamborghini, in compliance with the principle of segregation of duties, clearly and precisely assigns powers to be exercised with single signatures, providing specific limits beyond which, in application of the dual signature criterion, any operation, action or transaction may be carried out in the name and on behalf of the Company only with the joint signature of two attorneys.

Moreover, the system of joint signature representation is generally based on the principle of hierarchical independence between those who hold the power of joint representation.

▪ ***Paper communication and computer procedures***

The Company's activity is regulated by several policies, procedures, directives, paper, and IT communication that show the operational instruction of the working activities and the related control systems. Specifically, said procedures regulate the way of development of the company's processes, with the provision of control to be carried out to guarantee the correctness, transparency, and traceability of the company's activities.

These procedures are contained, inter alia, in the Quality Manual ("QMS") and are available for all the employees through the company's *intranet*.

The *policies* and the directives with the aim of ensuring that the tasks assigned within the organization are consistent with the overall Company's objectives and that responsibilities and competences are transparent, are also published on the Company's intranet page and approved at the level of the Comitato di Direzione, except delegation given to the *Policy Team*.<sup>4</sup>

Specific training activities are organized within each O.U. or at overall Company's level.

▪ ***System of management and control of financial resources***

The Company has a management system on the financial resources able to ensure the separation and the hierarchical independence of the individuals that oversee the related decisions, those in charge of the implementation of said decisions and those that are in charge of the controls of the use of such financial resources.

Limits to the decision powers for the use of the financial resources are established, through quantitative threshold consistent with the management competence and the organizational responsibility assigned within the Company.

The management control system provides for procedures suitable to check the use of the financial resources; moreover, said procedures are aimed to guarantee a complete traceability of the expenses also to maintain an adequate efficiency and economy of the company's activities.

The management and control system of the resources is divided in two phases:

- The first phase of the planning of the company's activities and definition of the *budget* is aimed to systematize and to show and render transparent the assignment of the financial resources, with the definition of the field of activities among which said resources could be used. The financial resources allocation at budget level is made according to the main cost centers. The resources planning provides the financial shelter for possible expenses surplus in case it is deemed necessary, for example in case of not foreseen need related to *health and safety on the workplace* on the basis which cannot be extended. In fact, the Company, recognizing the leading and essential character that a correct management of *the security* has within the exercise of the company's activities, ensures the shelter for possible costs and expenses "extra-budget" according to the authorized levels required by the company's procedures and subject to the necessary accountability of the expenses made.
- The second phase of reporting and analysis of the results, notices possible delta between the planning and the report allowing the competent hierarchical levels to investigate the causes of said gaps.

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<sup>4</sup> Team composed by referents of HR, Compliance & Risk Management and Quality.



The activities of management control ensure that the actual behaviours correspond to those planned and shared at the beginning of each financial year, through the budget approval procedures.

▪ **System of environmental management and quality**

The Company has adopted a system of the quality management according to the rule UNI EN ISO 9001:2015 and a system of environment and energy management consistent to the standard ISO 14001:2015 and ISO 5001:2011. These systems are certified and contribute to give clear evidence to the concerned company's process and to bring, also through "audit" and controls carried out at scheduled timing, more attention on the compliance with the related procedures and instructions.

Moreover, the certification allows a proper check on the compliance with and efficacy of the procedural system, being integrated in the broader control framework of the Decree 231/2001.

▪ **System of communication and training for personnel**

The Company has a communication and training system for the personnel having as object the Ethic Code, the Model, the system of notification of illicit facts (the so-called *Whistleblower System*), the policies, procedures, and rules of conduct to be adopted with particular reference to the individuals that act in the area considered as at risk of commission of crimes pursuant to the Decree. Detailed description of said communication and training activities is contained in the following paragraph 5.

▪ **Disciplinary and sanctioning System**

To ensure the effective and concrete application of the Model, the Company has adopted a sanctioning system with the aim of punishing the violation of the Ethic Code and the other provisions of the Model - as well as the procedures, directives, policies and all the rules that are part of it - of all its Recipients. In fact, this system provides:

- i) Disciplinary measures aimed at sanctioning possible violation carried out by employees and by the management of the Company pursuant to the provisions set forth in the laws and in the collective labour agreement for the protection of the workers;
- ii) Sanction measures of contractual nature and other measures against the different individual that, for different reasons (e.g. suppliers, commercial partner, Statutory and external Auditors etc.) have significant relationship with the Company and to which compliance to the Model (for the applicable parts) and with the Code of Conduct for Business Partner is required.

▪ **Compliance & Risk Management**

The activities of Governance, Risk, Integrity & Compliance involve the entire company, its processes, its culture and the surrounding environment, whose constituent elements interact and address every issue in respect of the interrelationships that accompany the complex world of business.

To guide and manage business activities, limiting errors and identifying and containing potential risks, Lamborghini has therefore equipped itself with structures and professional skills to support decision-making processes, conforming to the principles and projects of the Group, international best practices of compliance and to a system of risk management and related controls aimed at increasing awareness towards a suitable business management.

▪ **Controlling and Monitoring Activities**

The above mentioned governance Model is subject to continuous inspecting and monitoring activities carried out by special control body, either internal either external to the Company, each for the part of competence. In particular:

- an **Independent Body** appointed by the Board of Directors with the task of supervising the functioning and the compliance of the Model and its updating and implementation;



- an **External Auditors Company** and the **Statutory Auditors** that carry out all the checks in the field of account control as foreseen by the law and the legality control foreseen within the civil code;
- the **internal "Quality" function** within the periodical check foreseen in the related management system;
- The **external certification companies** of the environmental management system and quality through periodical *audit* carried out for the certification renewal.
- **Internal Audit of the Group** which, as a third line of defence, periodically carries out process audits as described in Policy "0038\_ Internal Audit".

## 2.6 The contents of the Model

The Model is construed by all the "components" listed in the last paragraph and by all the procedures, directives, and group's policies and all the management control systems there cited and/or mentioned in this document.

The Model consists of one "*General Section*" and related annexes, including the "*Special Sections*". The General Section contains:

- i) A concise description of the Decree and its content;
- ii) The general rules and principles of the Model;
- iii) The tasks and the functioning of the Independent Body;
- iv) The disciplinary system;
- v) The definition of a communication, information, and training system on the Model;
- vi) The definition of the system of notification of illicit facts (*whistleblowing system*);
- vii) The provision of periodical check and update of the Model.

The "*Special Section*" is divided into four sessions:

- 1) list of sensitive activities
- 2) control system
- 3) content of controls
- 4) analysis of individual sensitive activities

The structure of the special part is therefore functional to the analysis of the Company's activities/processes at risk of crime (so-called sensitive activities), with specific description of the individual activities, of the areas/functions involved in the sensitive activity, of the crimes at risk of being committed within the specific sensitive activity, as well as the procedures and/or measures adopted to prevent their commission.

In the analysis of individual sensitive activities, it has been identified:

- (a) the internal functions involved;
- b) the types of alleged offenses for which the risk of their occurrence is deemed to exist;
- c) the regulating of the crime at risk prevention process, through specific protocols and prescriptions in the Internal Control System for the prevention of the specific risk of occurrence;
- d) the safeguards in the area of traceability and ex-post verifiability of activities through appropriate documentary/informatic supports;
- e) the existence of adequate segregation/separation of duties system, as well as the existence of a delegation of power consistent with the assigned organizational responsibilities.

More particular, the purpose of each Special Section, is:



- a) To provide to the Recipients of the Model an indication of the general principles and the specific rules of conduct to be compliant with to obtain a correct implementation of the Model;
- b) To provide to the Independent Body and the managers of the Company's O.U. called upon to cooperate with it with the principles and operational tools necessary to enable them to carry out the control, monitoring and verification activities assigned to them.

It should be noted that this document has been structured in such a way as to guarantee a more effective and streamlined updating and possible implementation of the same: corporate developments or changes in the Company's business, as well as legislative evolution such as, by way of example, a possible extension for the type of crime that, according to certain modification in the legislation, become part or somehow connected with the Decree - could render necessary Model integration.

## **2.7 Adoption of the Model by the subsidiary companies**

In consideration of the importance that taking part of a companies' group might have according to the Decree and further to the prior value that the Group companies assigned to the principle of legality, correctness and transparency in the company and business management, also the companies Volkswagen Group Italia S.p.A. Italdesign Giugiaro S.p.A. and Ducati Motor Holding S.p.A, being part of the same Group of Automobili Lamborghini S.p.A. and subject to the entire control of the latter, have adopted, through a resolution of each Board of Directors, of an Organizational, Management and Control Model according to the Decree.

With the aim to achieve the maximum coordination between the four companies in question and to render, in this way, more efficient the implementation of the Model, in the Independent Body, appointed by each company, could be present one or more persons in common, proceed to information exchange and attend the respective meeting.

## **2.8 Modifications of the Model**

Since the Model is an "act issued by the Executive Body", in compliance with the provision set forth in article 6, paragraph 1, letter a) of the Decree, the adoption, subsequent amendments and additions are left to the competence of the Board of Directors of the Company or, to the CEO, unless subsequently ratified by the same Board as depositary of the original power to dispose in relation to the Model.

In the event of modifications or updates made by the CEO, the same shall promptly inform the Independent Body and Statutory Auditors.

In any case, the Independent Body may evaluate and express an opinion on proposals to update and/or revise the Model before they are adopted.

By way of example, the Company evaluates the updating of the Model and its adjustment in relation to any changes and/or additions that may be necessary because of:

- changes to the Company's internal structure and/or the way in which business activities are carried out;
- changes in business areas;
- news of attempts or the commission of offences considered by the Model;
- news of new possible ways of committing the offences considered by the Model;
- regulatory changes;
- results of controls;
- significant violations of the provisions of the Model.

In order to ensure that changes to the Model are made with the necessary timeliness and effectiveness, in the event of organizational changes that involve changes in the name of the company's Organizational Units or in the documents that describe and regulate individual activities, and in any case of changes of



a descriptive<sup>5</sup> nature, the updating is carried out by the Policy Team, which informs the Independent Body and deals with communication activities.

The review activities performed are formal and the respective records are kept.

## **2.9 Recipients of the Model and areas at risk of crime**

The compliance with the provisions contained in the Model and in the Ethic Code is mandatory for all its Recipients, i.e.:

- The members of the corporate bodies;
- Employees and management;
- Collaborators, suppliers, and every person that is in relation with the Company and that somehow represent it in front of third parties.

The Company refuses every derogation from the application of the provisions contained in the Model by its recipients.

Possible violation of the Model shall be sanctioned in the term and way provided in the Disciplinary and Sanctioning System (see paragraph 5 below).

## **3 INDEPENDENT BODY**

### **3.1 Independent Body's composition and its appointment**

According to the provisions of the D.Lgs. 231/2001 - art. 6, paragraph 1, lett. a) and b) - the Entity may be acquitted from liability arising from the commission of crimes by the subjects qualified ex. art 5 of D.Lgs. 231/2001, if the Governing Body has, among other things, entrusted to monitor the implementation and compliance with the Model, as well as to promote its upgrade, to a Body with autonomous powers of initiative and control.

In accordance with this requirement and following the instructions provided by the Confindustria Guide Lines, Automobili Lamborghini has therefore identified its own Independent Body (hereinafter OdV) in order to ensure, in relation to its organizational structure and the degree of risk of commission of offenses under the Decree, the effectiveness of controls and activities of which the same Body is in charge of.

In particular, Automobili Lamborghini has chosen to appoint a collective Body, placed in a staff position with respect to the Governing Body, composed by three members, namely:

- an internal member of the Company with the tasks of independence, professionalism, and integrity;
- two external members, characterized by independence, integrity, autonomy, and professional skills as well as legal experts in criminal and corporate sector.

This solution can provide, in relation to the Company's size and to its organizational complexity, the effectiveness of controls in charge of the Independent Body.

The Independent Body is appointed by the Board of Directors and remains in charge for a period of 2/3 accounting periods or for the less period of time established at the time of the appointment but in any case, not less than one accounting period, with renewal option.

To operate autonomously and to have the most appropriate tools to ensure the effective performance of its tasks, assigned by this Model in accordance with the provisions of the Decree, the Independent Body must have adequate financial resources at its disposal.

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<sup>5</sup> The expression "changes of a descriptive nature" refers to elements and information that derive from acts deliberated by the CEO (e.g. the redefinition of the organization chart) or from company functions with specific delegation (e.g. new company procedures), which only need to be implemented for the purposes of a more up-to-date representation of the processes, but which do not impact on the construction of the control system.





The allocation of the financial resources of the Independent Body is approved by the Board of Directors when defining and assigning the annual budget to the different departments, and the OdV may dispose of said disposition when is necessary to proper perform the tasks assigned.

The remuneration due to the external members of the Independent Body is established by the Board of Directors at the time of appointment.

In addition, considering the peculiarity of the Independent Body's responsibilities and the related professional content in the performance of supervisory and control tasks, it can be supported by dedicated personnel. Finally, where necessary, the Independent Body may avail itself of the help of individual internal functions, as well as external consulting functions, if this allows it to carry out its tasks with greater effectiveness and autonomy.

### **3.2 Regulation of the Independent Body**

The OdV has the task to draft an own internal document (i.e. hereinafter Regulation) in order to govern the aspects and the detailed arrangements of its actions which is made known to the Board of Directors. The Independent Body is free to determine the provisions of its Regulations, within which must, in any case, be disciplined the following activities, which constitute the minimum content:

- Type of checking and surveillance activities by the OdV;
- Type of activities related to the update of the Model (such as, by way of example, the promotion of the verification activity of the Areas at risk of Crime in case of the introduction of new cases of predicate crimes, or specific cases occurred during the mandate of the OdV);
- Type of activities carried out to fulfil the task of information and training of the Recipients of the Model;
- The management of the information flow from and to the OdV;
- The functioning and the internal organization of the OdV (e.g. summons and decisions of the Body, management of conflict of interest situations, minutes of meetings, etc.).

### **3.3 Termination of the office**

The members of the OdV, identified by resolution of the Board of Directors, remain in office for three financial years or for the different period established at the time of appointment, after explicit verification that the eligibility requirements described in paragraph 3.4 below continue to apply.

Upon expiry of the term, the OdV remains in office until the new appointment or re-election in the subsequent Board of Directors.

Termination of office may also occur due to resignation, forfeiture, revocation, or death.

Members of the OdV who renounce their appointment are required to give written notice to the Board of Directors, the Board of Statutory Auditors and the OdV itself so that they can be replaced promptly.

The members of the OdV may only be revoked for just cause by the Board of Directors, after consulting the Statutory Auditors. By way of example, there is just cause in the event of failure to comply with the supervisory obligations provided for each member of the OdV, unjustified absence from three or more meetings of the OdV in a calendar year, the existence of a conflict of interest, the impossibility of fulfilling one's duties as a member of the OdV, the attribution of operational tasks incompatible with the functions of the OdV, etc., etc.

The revocation of the office of a member of the OdV may be requested to the Board of Directors by the OdV itself, giving reasons for the request.

In addition, any termination of the employment relationship between the internal member of the OdV and the Company will result in the termination of the appointment of the person concerned. Likewise in the event of termination of another appointment (e.g. Compliance Officer) if the same was the explicit prerequisite for appointment as a member of the OdV.



Forfeiture occurs if, after appointment, the requirements expressly indicated in the following paragraph are no longer met and has immediate effect.

In the event of resignation, forfeiture, revocation or death, the Board of Directors shall replace the member of the Independent Body who has ceased to hold office, after consulting the Statutory Auditors. The members thus appointed remain in office for the remaining term of the Independent Body.

In any case of forfeiture, revocation, resignation, or other hypothesis of termination of office, the entire Independent Body also forfeits its office if this results in the loss of the majority of its members. In this case, the Board of Directors shall promptly reconstitute it.

### **3.4 Requirements of the Independent Body**

According to the provisions set forth in Art. 6, par. 1, of the Decree, the Independent Body has the task of supervising the functioning and compliance to the Organizational, Management and Control Model, taking care of the updating and is provided with initiative and control powers.

In particular, the Company's OdV fulfils, in its collegial composition, pursuant to the provisions set forth in the Decree and Confindustria Guidelines, to the following requirements:

- **Autonomy and Independence**, because:
  - The control activities carried out by the OdV are not subject to any form of interference; and/or conditioning by internal individuals of the Company;
  - Reports directly to the company's top management, namely the Board of Directors with the possibility of reporting directly to the shareholder and the Statutory Auditors;
  - It has not been granted any operational tasks nor it is involved in the decisions and operative tasks for guaranteeing the impartiality of its judgment;
  - It has been granted to adequate financial resources to allow the correct development of its activities;
  - The OdV's internal rules of functioning are established and adopted by the OdV itself.
- **Professionality** because the professional skills present in the OdV allow it to rely to a sound knowledge either on the side of the inspecting activity and the control system either to legal knowledge; in this regard, the OdV can rely on the company functions and internal resources and external consultant.
- **Continuity of action**: since the OdV, also thanks to the presence of an internal component, is systematically dedicated to the supervisory activity provided for by the Decree and continuously receives information relevant to the completeness and timeliness of monitoring;
- **Honourability and absence of conflict of interests and convictions** to be understood in the same meaning of the requirements provided by the law with reference to the Managing Directors and Statutory Auditors.

The Board of Directors evaluates the permanence of said requirements and operational conditions, and that the OdV's members are in possession of the subjective requirements of honourability and competence and are not involved in conflict of interests in order to further guarantee the OdV's autonomy and independence.

In particular, the person designated as a member of the Independent Body must issue a declaration in which he or she certifies that he or she meets the subjective requirements of eligibility and is required to promptly notify the Board of Directors of any facts that may affect the continued fulfilment of these requirements.





### 3.5 Functions, Activities and Powers of the Independent Body

Pursuant to the provisions set forth in art. 6, par. 1 of the Decree, to the OdV is entrusted the supervising, the functioning and compliance of the Model and taking care of its update.

In general, the OdV has the following duties:

- **Check and Surveillance** of the Model, namely:
  - Check the adequacy of the Model, to prevent the commission of illicit behaviours, and underline the possible commission;
  - Check the effectiveness of the Model, namely the consistency between the concrete behaviour and those formally listed in the Model;
  - Carry out analysis on the maintaining during the times of the requirements of soundness and functionality of the Model.
- **Update** of the Model, namely:
  - To be active in order to have the Company's Model update, proposing, whether necessary, to the Board of Directors or CEO, proposals for any updates and adjustments to be made through modifications and/or additions that may become necessary as a result of: i) significant violations of the provisions of the Model; ii) significant changes to the Company's internal structure and/or the way in which business activities are carried out; iii) regulatory changes;
- **Information and training** of the Model, namely:
  - Promote and monitor initiatives aimed to spread the knowledge of the Model among all the individuals that are obliged to comply with its provisions and of employees and managers of the company;
  - Promote and monitor all the initiatives, including courses and communications, aimed to foster the knowledge of the Model by the Recipients;
  - Evaluate all the requests of clarification and/or consultancy coming from the O.U. or company's resources or the administrative and controlling bodies where linked or referred to the Model.
- **Management of the information flow** from and toward the OdV, namely:
  - Ensure the exact fulfilment, by all the involved subjects, of all the reporting activities related to the compliance of the Model;
  - Examine and evaluate all the information and/or warnings received and related to the compliance to the Model, included possible violation to it, in compliance with the *whistleblowing system* described in section 3.7.;
  - Inform all the concerned bodies, below specified, about the activities executed, the related results and the scheduled activities;
  - Report to the competent bodies, for the necessary measures, the possible violations of the Model and the responsible individuals, making sure that the relevant investigations are carried out by the bodies in charge;
  - promote the implementation of an effective internal communication channel to allow the sending of relevant information for the purposes of Legislative Decree 231/2001, guaranteeing the protection and confidentiality of the reporting party;
  - In case of controls from institutional subjects, included the Public Authority, supply all the necessary information to the inspecting bodies;
  - follow-up activities, namely check the implementation and the functionality of the proposed solution.

On the organizational level, the OdV, in addition to the adoption of its own Regulations, provides to:

- develop and implement a periodic Activity Plan (normally annual) aimed at monitoring the effective application of company procedures and controls in areas at risk and their effectiveness;



- carry out targeted checks on specific operations or specific acts carried out within the areas of activity at risk;
- coordinating with the various Organizational Units to improve the monitoring of activities in areas at risk, collecting, processing and storing relevant information regarding compliance with the Model;
- conduct internal investigations to ascertain any violations of the provisions of the Model, in compliance with the policies and procedures defined also in coordination with the Group.

In order to carry out its duties, the OdV has been entrusted with all the necessary powers to ensure a proper and efficient surveillance on the functioning and compliance of the Model.

The OdV, also through its own resource, has the power, by way of example:

- carry out, even without notice, all the checks and inspections deemed necessary for the proper performance of its duties;
- in respect with the actual regulations, have free access, in all the functions and Organizational Units, to all the records and documents of the Company, without any kind of prior consent or need of authorization, to obtain any information, data or document deemed necessary;
- interviews, where necessary, the individuals that can supply useful indication or information on the execution of the company's activities or malfunction or violation of the Model;
- uses, under its own surveillance and responsibility, the help of all the Company's structure or external consultants;
- having, for every need related to the correct development of its duties, the financial resources allocated by the Board of Directors.

The meetings of the OdV are recorded in minutes and a copy of the minutes is kept by the OdV in a special archive in paper and electronic format. The minutes may be entrusted to an external person chosen by the OdV, who remains bound by the obligation of secrecy on what is recorded.

The OdV should report the results of its activity to the Board of Directors of Automobili Lamborghini S.p.A. or to the Managing Directors delegated for that purpose, if appointed, according to Art. 2381 of the Civil Code.

In particular, the OdV should report the detected violation of the Model to adopt the appropriate sanction and in case of occurrence of cases that underline serious criticalities of the Model; it shall propose modifications or integrations.

The OdV shall prepare for the Board of Directors a report, at least every six months, on the activity performed and its result and on the implementation of the Organizational, Management and Control Model within the Company; this report (only for information) shall be forwarded to the Statutory Auditors.

The OdV's activities are unquestionable by every company's bodies, structure and function, with the exception of the surveillance duty of the Board of Directors on the adequacy of the composition of the OdV and on its activity, being the Board of Directors responsible on the functioning and efficacy of the Model.

### **3.6 Information flow towards Independent Body**

Information regarding violations, even potential ones, of the Model and/or the Ethic Code, must be sent to the OdV immediately. These include, not exhaustively:

- reports received by the internal reporting channel pursuant to the regulations set forth in Legislative Decree 24/2023 (see paragraph 4 below), where it concerns information about potential violations of this Model or of the Ethic Code;
- Possible orders received by the superior and deemed inconsistent with the law, internal provisions or the Model/Ethic Code;
- Possible requests or offers of money, gift or other benefits coming from or addressed to everybody (*with particular attention when are involved public officers or person in charge of*



*a public service*) not in accordance with the provisions of the Law, of the Ethic Code or of the directive defined by the actual *policies*;

- Possible important budget gap or expenses anomaly not duly reasoned, as emerged by the request of authorization in the accounting phase of the controlling;
- Possible omissions, negligence, or falsification in the accounting or in the filing of the documentation the basis for the accounting records;
- The actions and/or notices coming from the police or any other public authority in which emerge the performance of investigation related, also indirectly to the Company, its employees, or the component of the company's bodies;
- Requests of legal advice to the Company, coming from employees pursuant to the CCNL, in case of starting of a proceeding for a crime against them;
- Possible warning, not timely noticed by the competent functions, of lack or inadequacy of the work tools or protection devices that the Company has made available, and every other dangerous situation related to the health and safety at the workplace;
- Criticalities, anomalies, or untypical issues that arise from the control activities carried out by the company's functions concerned (included particular situation such as a serious *turnover* of the personnel);
- Injures at work, almost ("quasi") injures or dangerous behaviours happened to employees of the Company and/or external company within supply or outsourcing or agreement with the Company;
- visits, inspections and assessment started by the competent authorities (such as, by way of example: ASL, INPS, INAIL, Tax Police, Labor Inspector etc.) and their conclusion, possible evidence and the sanctions imposed;

All the information related to the Company's activities that could become relevant for the development of the duties assigned to the OdV, are obligatorily and immediately transmitted to OdV, such as, without limitation:

- notices related to organizational changes (e.g. change in the company's chart, amendment to the existing procedures of adoption of new one, or directives or policies relevant for the Internal Control System);
- update and change in the powers and proxies system;
- possible communication of the external Auditor related to deficiency in the internal control system;
- decision related to the requests, allocation, or use of public funds;
- the recap statement related to the public tenders, at local or national level to which the Company has attended and won; and the recap statement of the agreements concluded with Public Administration after a private negotiation;
- The timely reports on health and safety at the workplace and namely the minutes of the timely meeting pursuant to Art. 35 of D.Lgs. No. 81/2008,
- Changes of the situation at risks or potentially;
- Tasks conferred to the external auditors' company;
- The communication, of the Statutory and external auditors, of every criticality arose, even if solved;
- Copies of the possible communication made to Vigilance Authorities (e.g. Antitrust Authority, Privacy Authority, Data Protection Authority, etc.);
- The results of internal audits in general and those related to assess the effective compliance with the Model and the Ethic Code or in any case related to activities that the Model identifies as sensitive activities.

In addition, in respect of each sensitive area at crime risk, the Independent Body has agreed with the heads of the various O.U., further specific and detailed information flows, requiring the regular delivery of information and documents of which examination allows to the OdV to promptly ascertain the consistent application of procedures and the respect of the control as described by the Model.



### 3.7 The Notification system with the Independent Body

The Company's personnel and all those who work in the name and on behalf of the Company or, in any case, anyone who wishes to come into contact with the Independent Body may do so by writing to the following e-mail address<sup>6</sup>:

[odv@lamborghini.com](mailto:odv@lamborghini.com)

### 3.8 Filing of information

The meetings between the various bodies (OdV, Statutory Auditors and External Auditing Company) must be recorded in minutes and copies of the minutes must be kept in a special archive).

All information, hints and reports provided by this Model are kept by the OdV in a special and confidential computer and/or paper archive in accordance with the provisions of Legislative Decree no. 196/2003 as amended and supplemented for a period of 10 years.

## 4 THE REPORTING CHANNELS ACCORDING TO THE WHISTLEBLOWER LEGISLATION

The Company, as part of the VW Group, has long adopted a specific Policy that constitutes the implementation, at the local level, of the VW Group Whistleblower system (U\_003 and KRL 3); the aforementioned Policy has been, most recently, revised and updated in light of the provisions of Legislative Decree 24/2023 and the related Guidelines published by ANAC on July 14, 2023.

In particular, the internal reporting channels are listed below:

- Web platform: **Online Reporting Channel** <https://goto.speakup.report/audi> available at the address [www.lamborghini.com](http://www.lamborghini.com)
- **24/7 hotline**: by visiting [www.lamborghini.com](http://www.lamborghini.com) at the **Voice Intake by phone** page, you can leave a voice message by phone 24 hours a day, 7 days a week.

These internal reporting channels, in written or oral form, are managed by specifically appointed individuals who are authorized to process data in accordance with privacy regulations and have the requirements of competence, training and independence.

To enable the report to be effectively taken up and diligently followed up, it must be based on precise and consistent facts and accompanied by supporting documentation, where available.

In any case, the hint Manager has the right to request further clarifications or insights from the whistleblower.

The report is inadmissible in the case of ascertained generic content, such that the facts cannot be understood, or it is a report of wrongdoing accompanied by inappropriate or irrelevant documentation, such that the content of the report itself cannot be understood.

In any case, within seven days of the receipt of the hint through the internal reporting channels, the hint Manager shall send the whistleblower an acknowledgement of receipt of the hint; the Manager shall also, within three months after the date of the above notice, provide the reporting person with an acknowledgement regarding the hint, noting the actions taken in order to diligently follow up on the report, as well as whether any disciplinary measures have been taken, or the reasons why it was not deemed necessary to proceed.

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<sup>6</sup> This *e-mail* channel, which is accessed by all members of the Independent Body can also be used for the forwarding of hints by those who come into possession of news regarding the commission of crimes or practices that are not in line with the rules of conduct and principles of the Code of Ethics and/or this Model, where they do not fall within the scope of application of Legislative Decree 24/2023. Although these are reports that are not subject to the discipline of Legislative Decree 24/2023 (in particular, with regard to the technical requirements of the systems and the timeframe for handling and feedback to the reporter), the Independent Body shall nevertheless act in such a way as to guarantee the authors of the hints against any form of retaliation, discrimination, penalization or any consequence arising from them, ensuring their confidentiality regarding their identity, without prejudice, however, to legal obligations and the protection of the rights of the Company or of the persons wrongly accused and/or in bad faith.

The information provided to the IB is intended to facilitate and improve its control planning activities and does not impose on it a systematic and punctual verification of all data received. It is, therefore, left to the responsibility of the IB to determine in which cases and how to take action for verifications or even in-depth investigations.



The Whistleblower System operates in accordance with the principles of legality, confidentiality, and protection of whistleblowers from possible forms of retaliation and discrimination and is, in any case, implemented in such a way as not to affect the proper execution of the functions entrusted to the Independent Body or conflict with the provisions of the Model.

In fact, the Independent Body is in any case involved in the process of handling reports sent to one of the channels indicated, albeit in a differentiated manner depending on the hint, the seriousness of the facts reported, and the classification made.

In this regard, the adopted Policy distinguishes between "serious regulatory violations", "other regulatory violations" and "unsubstantiated or unfounded" reports.

In any case, the Manager of the reporting channel shall immediately report to the Independent Body, through a specifically identified person ("Local Contact Person"), any potential violation relevant under Legislative Decree 231/2001.

The Independent Body is also the recipient, through the same Local Contact Person, of a semi-annual report from the reporting channel Manager, which acknowledges the effective compliance with the deadlines for the issuance to the whistleblower of the acknowledgement of hint receipt and the subsequent response to the same, as set forth in the art. 5 of Legislative Decree 24/2023.

It is also pointed out that employees are required to observe the duty of diligence and the obligation of loyalty towards their Employer, pursuant to Articles 2104 and 2105 of the Civil Code, so that the Employer's proper fulfilment of the duty to inform cannot result in the application of disciplinary sanctions. It is expressly provided that any retaliatory measures against the whistleblower, implemented, for example, by retaliatory or discriminatory dismissal measures, or by job changes, shall be null.

Any retaliatory or discriminatory conduct committed to the detriment of the whistleblower or of other persons specifically identified in Legislative Decree 24/2023, or otherwise aimed at violating the protection measures provided, shall be sanctioned in the manner set forth in Section 5 of the General Part below.

Without prejudice to the provisions of Article 17, paragraphs 2 and 3, of Legislative Decree 24/2023, the protective measures shall also apply:

- (a) to facilitators;
- b) to persons in the same work environment of the whistleblower, to the person who has made a complaint to the Judicial or Accounting Authority or to the person who has made a public disclosure and who are related to them by a stable affective or affiliation link within the fourth degree;
- (c) to co-workers of the whistleblower or to the person who made a complaint to the Judicial or Accounting Authority or a public disclosure, who are working in the same work environment as whistleblower and who have a regular and current relationship with him/her;
- (d) to entities owned by the whistleblower, or the person who made a complaint to the Judicial or Accounting Authority or made a public disclosure or for which the same people work, as well as entities that work in the same work environment as the said persons.

#### **Further reporting channels available:**

The following additional channels also remain active:

- E-mail: [whistleblower-office@audi.de](mailto:whistleblower-office@audi.de)
- Post: Audi Investigation Office - AUDI AG \_/FG-H \_ D-85045 Ingolstadt, Germany
- Ombudspersons: <http://www.ombudsmen-of-volkswagen.com/>

In addition, our Compliance Officer/local function is available for any questions related to the Whistleblower system and can be contacted at: [compliance@lamborghini.com](mailto:compliance@lamborghini.com)

The management of the additional reporting channels is governed by the same principles of protecting the identity of the whistleblower and of those involved from any form of retaliation: in fact, they are



guaranteed by the specific commitment made in this regard by the recipients. However, it is necessary to point out that these channels do not have the technical-information requirements (e.g. encryption) on a par with the web platform and hotline.

Without prejudice to the preference given to internal reporting channels, in the cases and in the manner provided for by Legislative Decree 24/2023, it is possible to make an external report to ANAC (please refer in this regard to <https://www.anticorruzione.it/-/whistleblowing>) and, if certain conditions are met, also to proceed through public disclosure. This is also without prejudice to the possibility of appealing to the judicial authority if the conditions are met.

## **5. DISCIPLINARY SYSTEM**

Art. 6, paragraph 2, letter e) and Art. 7, paragraph 4, letter b) of D.Lgs. 231/2001 indicate, as a condition for the effective implementation of the Model, the application of a disciplinary system suitable to sanction non-compliance with the measures indicated in the Model itself.

The definition of an effective disciplinary system is, therefore, an essential prerequisite of the Model's overriding value with respect to the administrative liability of entities.

In compliance with the regulatory provisions, therefore, the Company has established a specific disciplinary system aimed at sanctioning the failure to comply with the measures indicated in the Model and in the Ethic Code, which is an integral part of the former.

Subject to the disciplinary system set forth in this Model are all Employees, - blue collars, white collars and Managers related to Automobili Lamborghini S.p.A. with working relationship of a subordinated type. In the exercise of disciplinary power may incur, among others, those who are guilty of violating the provisions of Legislative Decree 24/2023. The latter include, by way of example, those who have:

- violated the protection measures provided for workers who have sent hints, according to Article 16 of Legislative Decree 24/2023;
- initiated retaliation because of the hint submitted, public disclosure or complaint to the judicial or accounting Authority, pursuant to Article 17 of Legislative Decree 24/2023;
- disregarded the support or the protection measures set forth respectively in Articles 18 and 19 of Legislative Decree 24/2023;
- incurred one of the sanctions referred to in Article 21 of Legislative Decree 24/2023;
- in any case, violated the Policy on Whistleblowing.

Among the regulatory sources that ground and limit the exercise of the disciplinary power are Law No. 300/1970 (the so-called Workers' Statute), as well as the sector's C.C.N.L. (i.e National Collective Labor Agreement), and current Union agreements.

Moreover, in the light of the current interpretative framework, the application of the disciplinary system could be irrespective by the actual commission of a crime or by the establishment and by the outcome of any criminal proceedings against the author of the violation, since the rules of conduct imposed by the Model and by the Ethic Code are voluntarily adopted by the Company in full autonomy and the application of sanctions is related solely to their non-compliance.

In any case, the principles of timeliness and immediacy make it inappropriate to delay the imposition of the disciplinary sanction while waiting for the outcome of the judgment potentially instituted before the Judicial Authority (see Confindustria Guidelines).

Where disciplinary proceedings are instituted because of a hint through the whistleblowing channel, as part of the disciplinary proceedings the identity of the reporting person may not be disclosed.

If the subject of the disciplinary complaint reveals that it is essential to disclose the identity of the whistleblower for the purpose of exercising the right of defence of the alleged wrongdoer, such information may be provided, among other things, with the express consent of the reporting person himself.





## 5.1 Measures for the employees and Management

The compliance, by the employees and management of the Company, with the provision of the Model, the Ethic Code and Company's protocols and the procedures/policy provided in the Model, (or from the same recalled) are integral part of their contractual obligation pursuant to article 2104 of the Civil Code.

Any failure to comply with said provision, shall be deemed as a breach of the contractual obligations and shall bring the application of disciplinary sanctions, in compliance with the law and with all relevant consequences, including the preservation or termination of the employment relationship, as well as the obligation to compensate for any damage caused.

The Disciplinary System is applied in case of failure to comply with the internal procedures, directives, principles and *policies* (as well as the commitments conveyed by the Company either oral either written) provided for or cited in this Model or in the Ethic Code, in particular in the case in which the following punishable conducts take place (typical infringement):

- Failure to comply with the Ethic Code and the Company's procedure/directives/policy to which the Model refers;
- Lack of control by the Function responsible (Manager) or the personnel in charge of O.U;
- Lack or false evidence of the activities carried out related to the ways of documentation, storage, and control in area at risk of crime in order to decrease their transparency and hinder checks;
- Violation and/or avoidance of the control system, by removing destroying, altering or omission of the documentations foreseen by the procedures in force or the obstruction the concerned individuals and the Independent Body from the control or access to the requested information and to the documentation;
- Failure to comply with the provisions related to the signature powers and the proxies;
- Lack of supervision by the hierarchical superiors of the individuals under their control regarding the effective application of the Model and of the Ethic Code and of the Company's procedures;
- Failure to comply with the duty to inform the Independent Body;
- Communication to the Independent Body, to the hierarchical superior or to other subjects with the duty to report to the OdV, of a warning about one of the conducts described above, acknowledging that said warning is false or mischievous;
- Lack of information of the Independent Body and/or the direct hierarchical superior or a Model's infringement for which there is a direct and sure evidence;
- Lack of communication/training/updating to the internal and external personnel operating in the areas potentially at risk of crimes.

### **Sanctions for employees**

The disciplinary sanctions that could be inflicted to the employees - in compliance with the procedure set forth in Art. 7 of Worker Statute and possible applicable special law - are those provided in the sanctioning system of the CCNL of Industry Sector and precisely:



- Oral warning;
- Written warning;
- Fine of an amount not more than three hours of salary calculated on the minimum tariff;
- Suspension from work and suspension from salary for a maximum of three days;
- Dismissal with notice
- Dismissal without notice.

### **Measures towards management**

In case of violation, by the Company's management of the provisions and procedures established in the Model or in the Ethic Code or the adoption, in relation to relevant activities for the areas at crimes risk, of a conduct not in compliance with the provisions of the Model or of the Ethic Code, towards the responsible people will be adopted the following measures, in compliance with Art. 7 of the Worker Statute:

- in the event of a non-serious violation of one or more procedural or behavioural rules provided for in the Model or in the Code of Ethics, the Manager may already be made the subject, after an initial verbal warning, of a written reminder to comply with the Model and the Code of Ethics, which is a necessary condition for maintaining the fiduciary relationship with the Company, particularly taking into account the responsibilities entrusted to the Manager;
- in case of serious violation of one or more provision of the Model or of the Ethic Code or reiteration of one or more of the violations above described, that are - after the necessary assessment carried out by the Company - a serious breach for thoughtful fault or with intent of the Manager, the Company could dismiss the Manager with the recognition of compensation in substitution of the notice period.
- where the violations of one or more provisions of the Model or of the Ethic Code are so serious that a prosecution of the trust relationship, even temporal, is not possible any longer, the Company should proceed with the dismissal, without notice and without the recognition of compensation in substitution of the notice period, pursuant to Art. 2119 of Civil Code and relevant provision of the applicable CCNL.
- among the sanctions, the suspension of any powers of attorney granted to the executive may also be ordered and the exclusion from the incentive program that may be applicable in the year in which the violation was found.

#### **▪ Verification of violation and imposing sanctions activity. Disciplinary system**

The assessment of the infringement, eventually on the basis of the warning of the Independent Body, having sought the opinion of the superior of the author of the warned conduct, the management of the disciplinary proceedings and the imposition of sanctions are of competence of the company's functions concerned.

In any case, the imposition of sanctions against employees and Managers will be carried out, among other things, based on criteria of proportionality between the violation committed and the sanction imposed, also in view of the following list of cases, which, by way of example as only general and abstract, is offered in order of increasing relevance and gravity:

- Violation of internal procedures/directives/policy provided for or cited in the Model or in the Ethic Code, failure to comply with oral or written commitments coming from the Company, or adoption, in relation to activities relevant for the areas at risk of crime, of conducts not in compliance with the provisions set forth in the Model, in the Ethic Code or in the procedures there cited;





- Violation of internal procedures/directives/policy provided or cited in the Model or in the Ethic Code or adoption, in relation to activities relevant for the areas at crime risks, of conducts not in compliance with the provisions set forth in the Model, in the Ethic Code or in the procedures there cited that could expose the Company to an objective risk of commission of one of the crimes;
- Adoption, in relation to activities relevant for the areas at risk of commission of crimes, of conducts evidently not in compliance with the provisions set forth in the Model, in the Ethic Code or in the procedures/policy there cited and aimed in an unambiguous way to the commission of one or more crimes;
- Adoption, in relation to activities relevant for the areas at risk of commission of crimes, of conducts evidently not in compliance with the provisions set forth in the Model, in the Ethic Code or in the procedures/policy there cited, such as determining the concrete imposition of sanctions provided in the Decree to the Company.

The disciplinary sanction (in the case of employees) and the contractual remedies (in the case of management) shall be proportioned with the degree of responsibility and autonomy of the employee and Manager, to the possible existence of previous situations of infringement, to the intent of the conduct as well as its gravity, by which is meant the level of risk to which the Company can reasonably be expected to be exposed- pursuant to and for the purposes of the Model -from the conduct censured. The OdV must likewise be given notice of any decision to dismiss inherent in disciplinary proceedings.

This is without prejudice to the provisions of Art. 7 of the L.300/1970 and the CCNL applicable in the subject of sanctioning proceeding, that must be deemed integrally recall. In particular:

- No disciplinary decision shall be adopted without the prior information of the charge to the employees and having heard him in his defence;
- the disciplinary measures more serious that the oral warning shall not be imposed before five days from the information in writing of the fact that has caused the charge and during which the employee could file its justification, eventually with the advice of a union's representative;
- if a decision is not taken in the six days after the file of said justifications, those shall be deemed to be accepted;
- the sanction shall be executed through a written and reasoned measure;
- in the case in which the infringement charged could lead to the dismissal, the employee could be suspended as a precautionary measure until the moment in which the dismissal shall be imposed, provided however the right to the salary;
- for the recidivism the disciplinary measures older than two years shall not be considered.

## **5.2 Measures for Managing Directors**

In the event of violation of the provisions contained in the Model and/or in the Ethic Code by one or more members of the Board of Directors, the violation shall always be considered a Serious Regulatory Violation pursuant to Policy 0025 and is handled in accordance with that Policy, with the adoption of the measures permitted by current regulations depending on the concrete seriousness of the violation, convening the Shareholders' Meeting if needed.

The other Managing Directors, the Statutory Auditors and the Independent Body shall be informed without delay. In any case, this is without prejudice to the Company's right to exercise liability and compensation actions.



### **5.3 Measures for the members of Statutory Auditors**

In case of infringement of the provisions contained in the Model and in the Ethic Code by one or more members of the Statutory Auditors, the Board of Directors and/or the Independent Body shall inform without delay, in writing the entire Statutory Auditors and the Board of Directors for undertaking the appropriate measures allowed by the law in force, included the revocation of the office.

In the most serious cases, the Board of Directors, having sought the opinion of the Statutory Auditors, shall call the Shareholder Meeting in order to undertake the appropriate measures.

In any case, this is without prejudice to the faculty of the Company to undertake legal actions and to ask for damages.

### **5.3 Measures for collaborators and commercial partners**

Any conduct by collaborators, consultants or other third parties linked to the Company by a contractual relationship not of employment (e.g. dealers and importers), in violation of the provisions of the Decree, and/or of the Code of Conduct for Business Partners, may result in the application of penalties or termination of the contractual relationship, without prejudice to any claim for compensation if such conduct results in damage to Lamborghini.

To this end, the agreements of consultancy or collaboration with parties outside the Company make express reference, among the contractual obligations, to the respect of the law, and the principles contained in the Code of Conduct for Business Partners available in the Automobili Lamborghini's internet site.

If the non-compliance results in a serious breach or the application by the Company of one of the administrative sanctions provided for in the Decree or in any case in the event that the relationship of trust between the Company and the counterparty is no longer valid, in application of art. 1456 Civil Code. Lamborghini has the right to terminate the existing contract.

For less serious violations, which do not irreparably determine the disappearance of the relationship of trust, in compliance with the contractual clauses, adequate and proportionate penalties will be applied. The OdV is informed of the violation ascertained and the actions taken against the third party.

## **6. INFORMATION AND TRAINING**

### **6.1 Information and training of Recipients**

In order to ensure the effectiveness of the Model, the Company ensures adequate knowledge and disclosure of the rules of conduct contained therein to the members of the Corporate Bodies and to all employees (including seconded employees), external collaborators and third parties who have relations of any kind with the Company.

This objective concerns all the resources falling within the above categories, whether already present in the Company or to be employed in the future.

The level of training and information is implemented in specific and appropriate ways in relation to the function performed by the Recipients.

In this context:

- i. The adoption and the update of the Model shall be communicated to the employees, to the Head of O.U. and to Managers through the intranet section and are subject to information/training in the specific parts.



- ii. The Ethic Code and evidence on the Model adoption are available to new employees by the People, Culture & Organization together with the rest of the documentation that is delivered during the hiring process.
- iii. The Code of Conduct for Business Partners is available on the Company's internet site.

All statements of acknowledgment and commitment to the respect of the Ethic Code and/or the Model are stored by the People, Culture & Organization.

In addition, adequate training of the Company's personnel on the contents of the Decree and the Model and/or the Ethic Code is provided for.

In particular, it is envisaged that the principles of the Model, and in particular those of the Ethic Code which is part of it, are illustrated to company resources through specific training activities (e.g., courses and seminars, also on-line, questionnaires, etc.), in which participation is compulsory and whose implementation methods are monitored by the OdV which verifies the preparation of specific training plans.

The courses and other training initiatives on Legislative Decree 231/2001 and on the principles of the Model are differentiated according to the role and responsibility of the resources involved, i.e. through the provision of more intense training characterized by a higher degree of in-depth study for those who qualify as "Apical subjects" in the same way as the Decree, as well as for those operating in sensitive activities that present a higher risk. In brief:

- i. Activity of general training: an activity of general training aimed to inform the Recipients of the provisions of the Decree and the content of the Model and the Ethic Code adopted by the Company and addressed to all the employers and Managers;
- ii. Activity of specific training: an activity of specific training to those acting in areas at risk of crime, aimed to inform the Recipients, in particular on **a)** the specific risks to which the area concerned is exposed and **b)** the principles of conducts and the company's procedures and directives that they have to be compliant with, during their activities.

The definition of the training courses, their timing and the methodology of implementation are determined by the Compliance Officer jointly with Head of People, Culture & Organization, taking care of the definition of the control of the attendance to the courses and of the quality of the contents of the training's program.

The participation to the training course is mandatory; failure to participate shall be considered as a Model's infringement and could lead to the application of disciplinary sanctions as defined in the chapter n. 5.

The Heads of the O.U. will have the duty to inform the collaborators under their controls about the Model as well as guarantee the participation to the training courses.

The information and training activities carried out, is proper recorded and the related documentation shall be retained by the People, Culture & Organization Department.

## **6.2 External Collaborators and Partners**

The activity of communicating the contents and principles of the Model is also addressed to third parties who have contractually regulated collaborative relationships with the Company or who represent the Company without dependence.

The Company's external collaborators and partners (e.g. dealers, importers, suppliers, business partners) are informed of the adoption of the Ethic Code and the Model by the Company and of the Company's requirement that the behaviour of its Partners conform to the principles of conduct and sustainability set forth in the Code of Conduct for Business Partners.



To this end, the Company assesses the methods (e.g. suitable diffusion on the Internet site according to the different types of external collaborators and partners), with which to inform third parties about the principles and procedures followed by the Company in compliance with D.Lgs. 231/2001 and to ensure that these subjects comply with the regulations and principles expressed by the Code of Conduct for Business Partners, also providing for the possible inclusion of appropriate contractual clauses.

The adoption by the Company of the Model pursuant to D.Lgs. 231/01 and the Ethic Code is, in fact, highlighted in the contractual clauses included in the contracts, which refer to the website [www.lamborghini.com](http://www.lamborghini.com) where the General Part of the Model and the Ethic Code and the Code of Conduct for Business Partners can be consulted.

The supplier or the third party, by signing the contract, declares to accept as an integral part of the contract the adherence to the Code of Conduct for Business Partners (and to the Model, for the applicable parts) of Automobili Lamborghini S.p.A.

The Company does not begin or continue any relationship with those who do not intend to commit to the principles contained in the Code of Conduct for Business Partners and in the Model 231 (the latter limited to any aspects, from time to time, applicable), except if third parties do not have their own code similar to that adopted by the VW Group.