President & CEO

H.E. António Guterres
Secretary-General
United Nations
New York, NY 10017
USA

Automobili
Lamborghini S.p.A.

September 15th, 2021

Vs. riferimento
Vs. data
Oggetto
Data

Stephan Winkelmann
President & CEO

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Dear Mr. Secretary-General,

I am pleased to confirm that Automobili Lamborghini S.p.A. supports the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption. With this communication, we again express our intent to continue implementing those principles. We are committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects that advance the broader development goals of the United Nations, particularly the Sustainable Development Goals.
Automobili Lamborghini S.p.A. will make a clear statement of this commitment to our stakeholders and the general public pursuing a specific business strategy based on a program of corporate ethical responsibility. The company's objective is to create value through responsible actions towards the world in which it operates, thus contributing to the sustainable development of the economy and society with constant care for the planet in where we live. Furthermore, in May 2021, Automobili Lamborghini presented "Direzione Cor Tauri", a roadmap to decarbonization of future Lamborghini models and of the Sant'Agata Bolognese site based on a holistic approach to its environmental sustainability strategy.

Capitale Sociale
€ 130.000.000
R.E.A. Bologna 259882
Codice Fiscale 03049840378
Partita I.V.A IT00591801204
A socio unico
Società del Gruppo Audi

We recognize that a key requirement for participation in the UN Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the Ten Principles. We support public accountability and transparency, and therefore commit to report on progress within one year of joining the UN Global Compact, and annually thereafter according to the UN Global Compact COP policy.
This includes:

- A statement signed by the chief executive expressing continued support for the UN Global Compact and renewing our ongoing commitment to the initiative and its principles. This is separate from our initial letter of commitment to join the UN Global Compact.

- A description of practical actions (i.e. disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the UN Global Compact principles in each of the four issue areas (human rights, labour, environment, anti-corruption).

- A measurement of outcomes (i.e. the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results).

Sincerely yours,

St. Winkel

Stephan Winkelmann

Automobili Lamborghini accelerates to Sustainability projects and United Nations Sustainability Development Goals (UN SDG)

Lamborghini's goal is to create value by acting responsibly towards the world in which it operates, thereby contributing to sustainable development of society and the economy while placing a consistent focus on ecology.

In a moment like now, where the whole Earth is forced to face an historic turning-point, and with the economists' outlook asserting consumptions will regress 25 years, companies' sustainability goals have diametrically changed. Milestones for these companies encompass poverty, social support and activities, and environment: areas heavily affected, although not exclusively, by this crisis. Increased effort will be needed by companies that recognize values and sustainability to raise global balance again. In this context, Automobili Lamborghini aims to maintain deeper engagement in social responsibility activities, as UN SDGs suggest.

In this regard, Lamborghini has already launched numerous environmental sustainability programs.

Automobili Lamborghini's environmental policy takes into account every aspect of operating a business within a community, and this commitment has made it the first, and so far the only, Italian automotive company to attain the EMAS environmental certification: an instrument which has been adopted by the Council of the European Union with the specific goal of highlighting the role and responsibility of businesses in safeguarding the environment. This important accreditation was awarded in July 2009, just a few months after the company achieved ISO 14001 certification, thereby meeting the international requirements for environmental management.

Automobili Lamborghini recognizes the United Nations' SDGs as important guidelines to follow in order to give everyone the chance to live in an evolved world that is sustainable from an environmental, social and economic point of view.

People are at the center of Lamborghini's corporate strategy: one of the main policy goals involves a focus on employee wellbeing through a structured program of initiatives. The company's plan aims to improve employees' wellbeing not only from a financial point of view, but also and above all in psycho-physical terms, precisely by putting people, individuals, at the center of corporate organization.

Employees have access to a wide range of activities and services, first and foremost **a supplemental health insurance plan** that also covers their families. Workers can consult nurses and the company physician at work in a cutting-edge infirmary. Lamborghini believes

in the importance of cancer screening, and for this reason breast cancer detection activities are organized in the workplace for employees, who are also able to request an annual flu vaccination.

In designing workstations, great attention has been paid to ergonomics and human-machine-environment interaction with a view to employee safety and prevention of workplace accidents.

In 2018, Automobili Lamborghini created a 950-meter-long fitness trail in the Lamborghini Park, featuring eight different stations: the **LamboFIT program provides a structured range of fitness courses** dedicated to Lamborghini's employees, including Yoga, Pilates, cardio fitness and postural gymnastic lessons held in the park. This focus on employee well-being is also carried through to dietary matters, with the introduction of a wellness menu in the company canteen. In terms of health and well-being topics, the company has implemented numerous initiatives, supplying pediatric first-aid training courses and dedicated sessions on illness prevention and correct diet.

With the introduction of the Urus Super SUV, the company doubled its volumes, turnover, and space occupied, along with a substantial increase in the number of employees, reaching over 1,800 by the end of 2019: up 62% over the previous five years. The more than 100 new-hires last year were balanced between administrative staff and production line employees, and further lowered the average employee age, currently under 39 years old. Moreover, with a 43% increase in customer deliveries, from 5,750 to 8,205 units worldwide, the Italian super sports car brand saw **sales growth for the ninth consecutive year**, setting a new record.

With the increase in volumes and turnover, the company's commitment to its employees has also grown: in 2020, **for the seventh consecutive year, Lamborghini received the prestigious "Top Employer Italia 2020"** certification, an award given by the Top Employers Institute, a global certification body for companies that achieve the highest quality standards in their human resource management policies. The certification recognizes Lamborghini's strategic approach to human resource management, based on the enhancement of individual skills on one hand, and the promotion of social values and ethical corporate responsibility on the other.

Another activity that brought significantly positive reactions and confirms Automobili Lamborghini's tangible commitment during the pandemic, has been the production of **surgical masks and medical shields.** Automobili Lamborghini, with a direct and mandatory action supported by Emilia-Romagna Region, has converted departments of its super sports car production plant in Sant'Agata Bolognese to produce surgical masks and protective plexiglass shields. The masks have been donated to the Sant'Orsola-Malpighi Hospital in Bologna to be used in the fight against the COVID-19 pandemic. Producing 1,000 masks a day, this solidarity initiative has been carried out by atelier personnel that produce the interiors and specialty customization for Lamborghini cars. Realizing 200 units a day, the

medical shields are manufactured using 3D printers within the carbon fiber production plant and Research and Development department.

In order to support schools, universities and institutions in their mission of guaranteeing young people a comprehensive educational pathway corresponding to the needs of an ever-changing economic world, Automobili Lamborghini is committed to continuous investment in education and training, **through partnerships with local universities, business schools and high schools**, allowing students to gain their first experience in the automotive sector.

Lamborghini is a key member of the **Motorvehicle University** of Emilia-Romagna, MUNER, a particularly innovative project that has brought together four universities and eight automotive firms based in Motor Valley to train future automotive professionals who are able to operate Industry 4.0 production lines to produce road vehicles, racing vehicles, sustainable engines and smart systems.

There are also partnerships with local high schools. These partnerships include teacher training and continuing education; production line and museum visits with integrated training events; and participation in P.O.N (*Programmi Operativi Nazionali,* national operational programs) promoted by the Italian Ministry of Education.

Two **DESI Training Centers** were inaugurated in 2015 by Lamborghini and Ducati; the two companies have been working together since 2014 on the major **social project DESI, or "DualEducation System Italy"**. The project was born in collaboration with the Volkswagen Employees' Foundation, Audi, the Italian Ministry of Education, and the Emilia-Romagna Region.

The central purpose of the project, which has become an integral part of the study plan of the Technical Institutes involved, can be divided into two main goals. The first is to support the territory and the labor market by training technicians through the most innovative methods. Secondly, the project supports schools in the development of joint educational programs capable of merging the essence of the school and business worlds, while helping to prevent young people leaving school early. Among the project's key objectives is to combine teaching within a work context, making use of a dedicated company team. This allows students to effectively integrate themselves within the workplace, orienting themselves in relationships and sharing experiences and knowledge by working in a team.

By continuously alternating activities within the classroom and the company, the study path develops over a two-year period, allowing young people to approach the more complex

issues of company production systems and the automotive world with increasing autonomy. At the end of the course, in addition to obtaining the five-year Professional Diploma in Maintenance and Technical Assistance, students receive a company certification detailing the skills acquired and practiced during the course.

In order to make itself competitive in the market and to guarantee the personal and professional growth of its employees, Automobili Lamborghini is investing in internal training with an extensive catalog of courses that aim to develop both soft and hard skills, while a structured internal **Job Rotation** program ensures ever-increasing cross-sector learning, allowing employees to extend their skills and improve career possibilities.

Lamborghini MUDETEC (Museo Delle Tecnologie) is supporting the **Affido Culturale** project. The initiative proposes to identify and involve 200 families in 29 cultural events via affiliations with cultural organizations in the region. Through this cooperation, families with children that don't have access to cultural activities for various reasons – linguistic, physical, economic or social barriers – will be able to visit, for free, MUDETEC inside Automobili Lamborghini's factory.

In 2017, the company signed an agreement with the **MIT** in **Boston** - the Massachusetts Institute of Technology, and specifically with two of its specialized centers: the Dinca Research Lab headed by Prof. Mircea Dincă of the Chemistry Department, and the Mechanosynthesis Group led by Prof. Anastasios John Hart of the Mechanical Engineering Department. The project's goal is to allow Lamborghini to develop the **technologies necessary to address the future of the super sports car** in five different dimensions: energy storage systems, innovative materials, propulsion systems, visionary design, and driving emotion. The joint research aims to radically transform the technologies involved in energy storage and composite materials.

In 2019, the collaboration between Automobili Lamborghini and the Massachusetts Institute of Technology produced a major initial result: a patent for an innovative synthetic material that will serve as the technological base for a **new generation of supercapacitors.** Supercapacitors already represent a winning solution in high-performance motorsport applications by virtue of their exceptional power and durability specifications, and they promise to become an essential technology for years to come. Automobili Lamborghini is a co-author of this patent. Further research will explore additional optimization of the material's properties, and its production on an increasingly larger scale. On a broader level, the materials development is part of the shift towards electric vehicle technology undertaken by Automobili Lamborghini in 2017 with the presentation of the Terzo Millennio, and most recently with the Lamborghini Sián, unveiled at the 2019 Frankfurt Motor Show.

With a view to achieving gender impartiality and reducing inequality amongst its employees, Automobili Lamborghini promotes initiatives to improve ***Work Life Integration***, such as a structured program which includes **activities and incentives not just for maternity but also for paternity**. The aim is to favor parental equality through the integration of numerous activities and services for mothers and fathers, including preferential parking, coaching support upon returning to work, and wage subsidies of up to 60% of the salary during supplemental maternity or paternity leave, as well as extra leave in the event of child sickness.

The incentives in the gender equality area fall under a wider framework: Lamborghini operates an equal pay regime for women and men with equivalent qualifications and duties. Moreover, the company offers **remote working** in order to ensure work-life balance.

As a committed supporter of the value of sharing, and in order to incentivize collaboration with other companies, Automobili Lamborghini is a member of the Bolognese business network Capo D (*Comunità di Aziende per le Pari Opportunità*, community of companies for equal opportunities), which aims to create a single system of organizations working in close partnership with local public institutions in order to encourage training and growth of workers, thus creating new career-development chances within an equal opportunities framework. The many goals of the network include developing social responsibility initiatives and sensitizing new generations to gender-equality topics by organizing activities and activities that also aim to increase female presence in STEM environments.

A **reverse mentoring pilot project** was started in 2019, aiming to reduce the generation gap in the company, which now has four different generations within its workforce. This stimulates the transfer of knowledge across junior employees and senior professionals, with a view to continuous skill development and the inclusion of newcomers.

Through its membership of the Capo D business network, the company is pursuing various goals:

- Comparison, networking and sharing of best practices
- Involving local SMEs to further develop social responsibility and welfare matters
- Sensitizing new generations to gender-equality topics by organizing activities and initiatives that also aim to increase female presence in STEM environments

Lamborghini's **cafeteria** became **plastic free** in 2019, switching to paper cutlery wrapping and cups made from completely biodegradable material. Lamborghini employees have **access to free water** coolers in the break areas of the production lines, as well as the company canteens, helping reduce plastic waste by approximately 3.4 tons per year. In 2019 Lamborghini also gifted reusable aluminum bottles to its employees – a further step to a plastic-free restauration system.

Within the Lamborghini Park, inaugurated in 2011, the company also takes care of protecting and restoring the ecosystems in the wet area of the park.

All electric energy used in Automobili Lamborghini derives from certified renewable sources, for example a large photovoltaic plant as well as trigeneration and long-distance heating systems. In 2015, the company was certified CO_2 neutral. In early 2010, the company installed a **large photovoltaic system** covering an area of 15,000 square meters. In total, this system ensures a reduction in CO_2 emissions of about 1,000 tons per year. It is one of the largest photovoltaic systems in the industrial landscape of Emilia-Romagna.

In 2012, Automobili Lamborghini opened its new **building dedicated to developing prototypes and pre-series vehicles**. Designed in partnership with the Prospazio engineering firm, the new multi-level facility was conceived specifically to obtain a Class-A energy rating, and was the first industrial building in Italy to feature these characteristics.

In July 2015, Automobili Lamborghini introduced its **new trigeneration and district heating systems**, two of the most significant projects undertaken by the Sant'Agata Bolognese company to obtain the **CO_2 neutral certification for its entire plant**. This certification, within the framework of the Carbon Neutrality program, is the first in the world issued to a company by DNV GL (Det Norske Veritas Germanischer Lloyd), one of the world's leading firms for the classification, assessment and management of environmental risk. Automobili Lamborghini achieved this important goal in 2015, by reducing and offsetting the CO_2 emissions associated with energy usage throughout its production site. The two trigeneration plants, located inside the Sant'Agata Bolognese factory, utilize natural gas to produce electricity, as well as for heating and cooling. The systems boast 2.4 MW of installed capacity and generate approximately 20,000 MWhe per year. The amount of energy

produced would be sufficient, for example, to meet the entire yearly demands of all homes in Sant'Agata. Savings in terms of emissions total approximately 1,640 tons of CO_2 per year. The company also plans on converting both plants to Biogas, so as to further reduce CO_2 emissions to 11,400 tons every year.

Automobili Lamborghini is also the first automotive company in Italy to use a **district heating system**. This system distributes hot water throughout the factory from a biogas-fueled cogeneration plant located about six kilometers away, through a network of underground pipes. Lamborghini chose to use the energy generated by a cogeneration plant that would otherwise have been lost. Savings in terms of emissions will total approximately 1,800 tons of CO_2 every year.

In 2017, Lamborghini opened its new state-of-the-art office building, **Torre 1963**. The new building received a record score for Italy of 92 points in the **LEED (Leadership in Energy and Environmental Design) Platinum certification**, the world's most authoritative certification program for environmentally sustainable buildings. It is the first office building within a manufacturing site in Italy to receive this certification, which is awarded to "green" facilities that combine innovation and sustainability.

In 2018, the Sant'Agata Bolognese **factory** was expanded from **80,000** to **160,000 m²** for the launch of the Urus project. The new production site includes a new assembly line dedicated entirely to the Urus; a new finishing department for all Lamborghini models; a new test track with thirteen different terrains specifically for SUVs; a new logistics warehouse; a second trigeneration plant; and the new energy hub for the centralized production of all energy carriers serving the site. The new buildings are all rated "A" by the Emilia-Romagna regional energy classification board. The outer structure of the building window surface has been designed to achieve the highest possible energy performance through use of a very high-performance polycarbonate facade system. All lighting, including in industrial areas, uses very high efficiency LED lights.

The expansion was carried out fully in keeping with the company's focus on environmental sustainability: **even after its transformation, the entire production plant in Sant'Agata Bolognese has maintained the carbon neutral certification obtained in 2015.**

The **new Urus paint shop**, opened in 2019, has once again reaffirmed Lamborghini's commitment to environmental sustainability. The verticalization of the new plant enabled a significant 30% reduction in footprint compared to a traditionally-designed paintshop of equivalent capacity. The building has a **Class A rating**, features perfect insulation, and is equipped with next-generation LED lighting. **Ninety-five percent of the colors used are water-based**. Solvent emissions are extremely low, thanks to a post burner able to recover heat and reuse it to heat the painting line ovens. This technology provides a 25% reduction in energy consumption. Moreover, the cutting-edge technologies of the air-misting systems provide superior efficiency in terms of paint consumption. Eighty percent of the paint is actually applied to the vehicles' bodywork, compared to about half that figure in standard systems. Finally, E-Cube technology makes it possible to capture the overspray during the painting process, thereby reducing water consumption for air filtration to zero.

Another initiative in which Automobili Lamborghini has had a strong impact is the **LKDF4Industry of UNIDO** (United Nations Industrial Development Organization's Learning and Knowledge Development Facility). LKDF4Industry aims to help the industrial sector to overcome obstacles through knowledge sharing and innovation. The Learning and Knowledge Development Facility promotes demand-driven industrial skills among young people in emerging economies: the global outbreak of Covid-19 has imposed new challenges on the demand for skills while accelerating the need to adapt to new production methods and work arrangements.

Environmental sustainability is incorporated as a goal within Automobili Lamborghini's corporate strategy. Numerous activities provide ample proof of the company's desire to contribute to maintaining a healthy and stable environment.

Thanks to the industrial projects implemented to save the environment and to use clean energy, Automobili Lamborghini **saves up to 5.700 tons of CO_2 each year**, the amount that 285.000 trees would absorb in only one year.

In 2011, the company launched the **Parco Lamborghini**, a pioneering environmental initiative developed in collaboration with the Sant'Agata Bolognese community and the universities of Bologna, Bolzano and Munich. The project involved the **planting of 10,000 oak trees.** Its goal is to better understand the relationships between tree density, forestry productivity and the ability to absorb CO_2 emissions and maintain climactic biodiversity. In order to reproduce local vegetation, a protected 17-acre area was created which incorporates a collection of different species of trees typical to plain areas, a shrub zone, a marshy wetland area, a copse, and fruit trees.

In April 2016, Automobili Lamborghini decided to equip its park with an **apiary in order to begin Environmental Bio-Monitoring using bees**. The environmental bio-monitoring station comprises three of the twelve beehives which are used to produce honey. The components of the beehive (honey, pollen, wax, propolis, the bees themselves) can be analyzed to reveal a wide range of environmental pollutants: from pesticides used in agriculture and urban and private green spaces to heavy metals, radionuclides, aromatic compounds and dioxins. The three-kilometer average foraging radius around the apiary also covers the factory production plant and the entire village of Sant'Agata Bolognese. In addition to serving its environmental and pollution-monitoring functions, the project is also used for the production of certified Lamborghini-brand honey that is distributed every year to the company's employees.

The community of Sant'Agata Bolognese has **free access to the Lamborghini Park**, which hosts sustainable events for employees and the local community, such as educational

programs for schools on the topic of environmental sustainability held in the park, alongside a visit at the Lamborghini Museum MUDETEC.

In 2017, Lamborghini launched a new **corporate car-pooling service**. Although currently paused due to the pandemic, the choice is offered to staff to opt for sustainable mobility: a year and a half after its launch, the platform for Lamborghini employees has 450 registered users who, through car-pooling, have already reduced CO_2 emissions by approximately 26 tons.

Thanks to its efforts in addressing environmental sustainability, Lamborghini was also invited to take part in the 38th edition of the **Climate Reality Leadership Corps**, hosted in Berlin by **The Climate Reality Project**. An organization founded by former US Vice President and Nobel Peace Prize winner Al Gore, The Climate Reality Project works to spread awareness on the global effects of climate change, drawing attention to a global solution to this crisis in order to guarantee a sustainable future driven by clean, renewable energy. Lamborghini's has been a compelling journey that sees the company fully committed to raising awareness among its employees and community on the current climate crisis, while promoting solutions to mitigate its effects through energy transition and sustainable mobility.

In keeping with its social responsibility goals, Automobili Lamborghini works with **EMERGENCY**, an Italian association that promotes a culture of peace, solidarity and respect for human rights, to develop a social cooperation program that creates voluntary work experiences involving employees in the structures and projects managed by EMERGENCY. Employees have the opportunity to take a lead role in a human growth experience, which is important for the development of emotional and social skills, an essential element in company dynamics.

2020

AUTOMOBILI
LAMBORGHINI
ENVIRONMENTAL
STATEMENT

EMAS
GESTIONE
AMBIENTALE
VERIFICATA
IT-001144

This Environmental Statement provides data and information on the Automobili Lamborghini plant Environmental Management System, as laid out by EMAS (Eco-Management and Audit Scheme) regulations. This is one of the tools specifically adopted by the Council of the European Union with the key aim of underscoring a company's role and responsibility regarding environmental protection. This Environmental Statement also offers an overview of the environmental projects set up by the Company, including the use of renewable energy, CO_2 emissions reduction and biodiversity protection.

Company name:	Automobili Lamborghini S.p.A.
Registered office:	Via Modena 12 Sant'Agata Bolognese Bologna 40019
Address of production sites:	Via Modena 12 Via Lamborghini 30 Sant'Agata Bolognese Bologna 40019
Tel.:	+39 051 6817611
Fax:	+39 051 6817644
Website:	www.lamborghini.com
NACE code:	29.10 - Motor vehicle manufacturing
The field of application of the relevant regulations for the Environmental and Energy Management Systems is:	The design, development and production of luxury sports cars, with the manufacture of carbon-fiber parts and body shells, assembly, finishing, painting and after-sales support all carried out at the site at 12, Via Modena and 30, Via F. Lamborghini - Sant'Agata Bolognese (BO).
Total workforce at 12/31/2020:	1,779
Total waterproofed surface area:	160,000 m^2
Total surface area within the site set aside for nature:	25,800 m^2
Total surface area outside of the site set aside for nature:	70,000 m^2 (Lamborghini Park)
Chairman & Chief Executive Officer:	Stephan Winkelmann
Environmental Manager:	Massimo Scarpenti
E-mail:	massimo.scarpenti@lamborghini.com
Tel.:	+39 051 9597774

Requests for information on environmental matters may be sent to the plant's Environmental Manager, Massimo Scarpenti, at the above addresses.

Environmental Management Audit IT-001144

This Environmental Statement was validated by Accredited Environmental Auditor Det Norske Veritas DNV - GL Business Assurance

English translation of the document validated in Italian.

2020

AUTOMOBILI
LAMBORGHINI S.p.A.

2020 ENVIRONMENTAL STATEMENT

pursuant to EC Regulation
no. 1221/2009 and adapted to
Commission Regulation (EU)
2018/2026
Sant'Agata Bolognese (BO), Italy
Information current at 12/31/2020
Third update to the Fourth Edition

Our commitment to the Sustainable Development Goals

Learn about Lamborghini's commitment to the SDGs at www.lamborghini.com

4 QUALITY EDUCATION
5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS
SUSTAINABLE DEVELOPMENT GOALS

BOILER PLATE

Automobili Lamborghini S.p.A.
Founded in 1963, Automobili Lamborghini is headquartered in Sant'Agata Bolognese, a town near Bologna, Italy, and manufactures some of the most sought-after super sports cars in the world.

The Urus – the first Super SUV – was launched in 2017, and has created a new segment for luxury cars and a reference point in terms of power, performance, driving dynamics, design, luxury and everyday usability.

The Huracán range, heir to the iconic Gallardo, debuted in 2014 with the Coupé model, followed by the Spyder, the rear-wheel drive models, the Performante in 2017 – which set record times on various international circuits – and the Performante Spyder in 2018. In 2019 the new Huracán EVO was introduced in its Coupé and Spyder versions, equipped with a next-generation V10 engine, sophisticated aerodynamic solutions and advanced driving dynamics control systems. The start of 2020 saw the launch of the rear-wheel drive Huracán EVO RWD, which puts the driver at the center of a spontaneous and exhilarating experience. In May 2020, the new Huracán EVO RWD Spyder was unveiled, the first virtual launch using augmented reality on the official website www.lamborghini.com.

In November 2020, Automobili Lamborghini virtually launched its latest model, the Huracán STO (Super Trofeo Omologata), a super sports car approved for road use, inspired by the sporting tradition of its Huracán Super Trofeo EVO and Huracán GT3 EVO racing cars.

The Aventador S, in Coupé and Roadster versions, is the new benchmark in the V12 super sports car segment. The Aventador SVJ, unveiled in August 2018, has already established itself as the fastest production vehicle on the famous Nürburgring-Nordschleife track, covering the 20.6 km lap in just 6:44.97 minutes. The SVJ Roadster was introduced onto the market in 2019.

With 167 dealerships worldwide, the Company has further increased sales of its cars for the ninth consecutive year, achieving a new record. In 2019, customer deliveries worldwide grew by 43%, from 5,750 to 8,205 units sold.

Since its founding over half a century ago, Automobili Lamborghini has created a series of dream cars, including the 350 GT, Miura, Espada, Countach, Diablo and Murciélago, as well as limited editions such as the Reventón, Sesto Elemento, Veneno and Centenario. With the launch of the Lamborghini Sián FKP 37 in 2019, of which only 63 units were produced, the Company introduced hybrid technologies for the first time, with the world's first use of a super capacitor in a hybrid solution as well as a unique application of materials science. The Sián is thus able to deliver incredible exhilaration and exceptional dynamic performance typical of a Lamborghini super sports car, while at the same time meeting future electrification requirements.

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Introduction by Stephan Winkelmann

UNDERSTANDING THE LINK BETWEEN PLANET, ENVIRONMENT AND PEOPLE: LAMBORGHINI ACCELERATES ITS PROGRESS TOWARDS A MORE SUSTAINABLE FUTURE

The COVID-19 crisis has further focused our attention on the close link between human health and the health of the planet, thus heightening our understanding of the importance of preventing risks associated with climate change by adopting a sustainability strategy.
The message we will carry forward from this experience is that we are all interconnected and that the choices we make as individuals and as a company can make all the difference.

It is thanks to this understanding that the crisis has not diminished our commitment to environmental protection. Indeed, our sense of responsibility towards people and the community has been further strengthened.
Always focused on the future and on new directions, we have over the year continued our journey by aligning our actions and environmental and energy policy with the Sustainable Development Goals within the United Nations' 2030 Agenda.

Efficiently managing resources, procuring energy from renewable sources, safeguarding biodiversity and recycling materials: these are just a few of the goals reached during the year in response to the new global challenges for a more sustainable future.

In addition, we have established a new Sustainability Task Force, an inter-departmental working group set up to encourage the exchange of information and new ideas for continuous improvement. Owing to the work of this Task Force, stakeholders are then informed about all our sustainability projects in the name of full transparency, a characteristic that has always marked us out.

Through our Environmental Statement, we want to underscore the importance for us of pursuing industrial development that considers the community and the wider environment: their protection is the focus of all our actions, and through our work we seek to act as a model for the whole community. Safeguarding the world we live in is a key element of our conduct as an industrial enterprise. It is for this reason that all members of the Lamborghini family can think of their Company with great satisfaction and take pride in being part of it.

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

The 2025 Strategy

Automobili Lamborghini has undergone a period of great change due to the preparation of its third model, the Urus Super Sport Utility Vehicle, launched at its headquarters in Sant'Agata Bolognese in December 2017. The major challenges that the Company has had, and will have, to face over the coming years do not end there: the entire car industry is undergoing increasingly rapid change and it is thus essential to have clear long-term goals and priorities.
For this reason, Automobili Lamborghini is continuing with the implementation of its 2025 Corporate Strategy, drawn up in 2017 to respond to two main requirements: to define what the Company wants to be in the coming years, and to decide how to interpret the new trends that will increasingly characterize the car industry in the future, especially sustainability, digitization and urbanization.

The 2025 Strategy is based above all on one question: "Why does Lamborghini exist?" The answer - the vision - is very clear: "To be the icon of luxury super sports cars". During 2021, Lamborghini will define its new 2030 Strategy, which will address in even more detail the themes of the future competitive environment and of the transition to the next generation of models and powertrains.

In line with this vision, the Company set itself some measurable targets, key among which regards sustainability.

Automobili Lamborghini intends to conduct its business sustainably, including in environmental terms, both regarding the reduction of its fleet emissions and the containment and offsetting of CO_2 emissions, so as to continue to receive CO_2 neutral certification – a huge challenge given the significant industrial growth the Company will undergo over the coming years.

Aside from sustainability, the Company intends to continue to be an employer of choice. In this way, it reconfirms its commitment to the world around it, and contributes ethically and responsibly to the future for current generations and for those to come.

LAMBORGHINI AS AN ETHICAL COMPANY

Identifying sustainability as a Company objective within the 2025 Strategy is a strong undertaking of responsibility to our stakeholders and to the community where the Company operates every day. Sustainability, for Automobili Lamborghini, is an absolute duty, a commitment to the world around it that brings with it a dual responsibility, not just as a Company but also as a highly visible Brand. Policies of responsibility, if they are directed well, can give impetus to virtuous processes in today's way of doing business.

Economic growth in and of itself is, indeed, not sufficient; development is genuine and has value only if it improves quality-of-life in a lasting manner, thus safeguarding the foundations of our society.
Automobili Lamborghini increasingly identifies itself as a Company operating according to ethical principles and, therefore, cannot disregard the need to adopt guidelines as a framework for its actions.

Sustainable business

These guidelines are not just a list of rules, but rather a commitment that each of us at Lamborghini makes our own, aiming to bring the community together by leveraging a corporate culture and style of doing business that sets the Company apart.

Automobili Lamborghini firmly believes, both as a Company and as a group of people, that the key to business success lies in the integrity with which it operates, in full compliance with the law and committed to pursuing its ethical principles.

1 ENVIRONMENTAL RESPONSIBILITY: A CONCRETE COMMITMENT

1.1 The production process of Automobili Lamborghini

The Automobili Lamborghini production facility is located in Sant'Agata Bolognese, in the Province of Bologna, on a flat area at an altitude of approximately 20 meters above sea level. The first Lamborghini factory was built in 1963 in an area that was once used for farming. The facility has undergone numerous modifications over the years before reaching its current size and configuration. Today the Lamborghini production site has a surface area of approximately 316,000 m². It consists of a number of buildings with a total built-on area of approximately 140,000 m².

Luxury sports cars are designed, developed and produced by Automobili Lamborghini at the Sant'Agata Bolognese site. Operations include: manufacture of the body shell and carbon fiber parts, assembly, finishing and after-sales assistance.

With the acquisition of Automobili Lamborghini Holding S.p.A. by AUDI AG in 1998, the sports car manufacturer became a wholly owned subsidiary of the German automobile manufacturer. Through the acquisition, AUDI AG aimed to transfer the quality standards of the Audi Group to the new Italian subsidiary.

In 2020, 7,267 units were produced:

	2018	2019	2020	Unit
Aventador	1,217	1,004	876	no.
Huracán	2,759	2,421	2,027	no.
URUS	2,565	5,233	4,364	no.
Total	**6,577**	**8,658**	**7,267**	**no.**

In a year like 2020, full of major challenges and marked by the worldwide spread of the pandemic, Automobili Lamborghini was able to respond with great energy and resolve. Vehicle consignments worldwide fell by just 9% compared to the previous year. The slight fall was clearly due to the 70-day manufacturing shutdown in the spring, as per the Italian Government's directive and to safeguard workers' health during the first phase of the crisis. To offset this, the second half-year saw record sales, the best second half-year period in the entire history of the Company.

PRODUCTION FACILITY - GENERAL FLOOR PLAN

1.2 Environmental and energy policy

Automobili Lamborghini is a Company that specializes in the design and production of luxury sports cars, synonymous with design, power, innovation and craftsmanship the world over.

As part of its long-term strategy, the management team at Automobili Lamborghini is committed to aligning its **economic and business goals with environmental sustainability principles** and with the ongoing improvement of its performance from a life cycle perspective.

We are aware of the challenges posed by climate change and are committed to supporting the United Nations' Sustainable Development Goals, recognizing their importance as guidelines to give everyone the opportunity to live in a developed and sustainable world from an environmental, social and economic perspective.

In carrying out its operations, Automobili Lamborghini endeavors to employ natural resources and energy in the most efficient way possible. This commitment is realized through: the development, application and monitoring of an Environmental Management System and Energy Management System that meet **ISO 14001** and **ISO 50001** international standards; the maintenance of **EMAS** registration in order to publicize environmental results in full transparency; the adoption of an **ISO 14064**-compliant system for monitoring the greenhouse gas emissions of the whole Company.

Automobili Lamborghini has implemented a protocol to keep the plant CO_2 neutral, by defining a program for reducing and offsetting CO_2 emissions, prioritizing where possible internal reduction measures and progressively decreasing the proportion of offsetting from external projects.

Automobili Lamborghini is committed to:

- providing the specific skills, technologies and financial resources necessary for the Environmental Management System and Energy Management System to function;
- ensuring full compliance with applicable legislation on environmental protection and on its energy consumption;
- assessing right from the planning phase the impact on the environment and on energy consumption of new investments and technologies, committed to the ongoing improvement of the energy efficiency of its processes and activities;
- reducing and preventing polluting emissions by continually monitoring the environmental aspects associated with its operations.

The Board of Directors is responsible for the correct operation, updating and improvement of the Company's Environmental Management System and Energy Management System, ensures compliance with the environmental and energy policy guidelines and is responsible for their revision and oversight.

Collaboration and communication with the authorities and political institutions is carried out in a spirit of transparency and mutual trust to ensure an open dialog with all those involved.

When choosing new suppliers, sustainability principles are applied to the supply chain in order to prevent negative social and environmental impacts from Automobili Lamborghini's business activities.

All employees are specifically updated and trained on their area of competence in order to develop a sense of responsibility toward both the environment and energy consumption. All employees must be familiar with the Company's environmental and energy policy and are expected to help reach its improvement goals.

MAIN ACTIONS TAKEN BY AUTOMOBILI LAMBORGHINI S.P.A. IN THE ENVIRONMENTAL FIELD

- Reduction in energy consumption and strengthening of the measures aimed at increasing **energy efficiency and the use of energy from renewable sources.**
- Inventory, monitoring and **progressive reduction of sources of greenhouse gases** (GHG), both direct and indirect.
- Annual **offsetting** of direct residual CO_2 emissions.
- Organization of activities aimed at **protecting biodiversity.**
- Promotion of a **circular economy** model in the use of materials, energy and water.
- Reduction in the quantity of waste, where possible, and increase in the sorting of waste to promote recycling over disposal.
- Monitoring and minimization, wherever possible, of harmful emissions into the atmosphere and, in particular, of volatile organic compounds.
- Reduction and management of water withdrawal and discharge.
- Provision of training on environmental topics to engage employees and encourage a sense of responsibility.
- Strengthening of preventive measures required to avoid incidents with the potential for environmental impact.

1.3 The Organization's Environmental Management System

The set of rules defined for the management of environmental aspects forms the Environmental Management System, which aims at the continuous improvement of environmental performance as laid out in the **EMAS** regulations and the **ISO 14001** international standard. In 2009, Automobili Lamborghini was the first Italian automotive company to obtain EMAS registration.

In terms of energy, this tool has been further reinforced by the Energy Management System, certified in October 2011 in compliance with the **ISO 50001** international standard. In 2011, Automobili Lamborghini was the first Italian automotive company to obtain ISO 50001 certification.

The Company's long-established management systems enabled a swift alignment during 2020 with the Environmental Compliance Management System (ECMS): a guideline that, for all VW-AUDI companies, sets out the requirements for managing environmental compliance.

In recent years, the Company has decided to further reinforce its environmental policy on climate by adhering to a voluntary commitment in line with government policies on the Kyoto Protocol and the European Union's "Climate and Energy Package". At the end of 2012, the Company signed an important agreement with the Italian Ministry for the Environment to define a carbon footprint calculation methodology regarding the production of body shells and carbon-fiber components at the CFK Center, along with accounting for the associated CO_2 emissions. This collaboration led Automobili Lamborghini to obtain, for the Composites Site, **ISO 14064** certification in August 2013, the first company in the world to be certified by Det Norske Veritas. The certification was extended in 2015 to the entire Sant'Agata Bolognese production plant.

In July 2015, Automobili Lamborghini became the first company in the world to join the **Carbon Neutrality Protocol of Det Norske Veritas DNV - GL Business Assurance.** The Company is committed to offsetting each year its GHG emissions associated with the use of electricity, natural gas and all fossil fuels used to heat on-site areas and to generate electricity at the Sant'Agata Bolognese production plant by adopting an offsetting program that involves the disclosure, reduction and offsetting of these GHG emissions.

Environmental and energy management involves the engagement and commitment of all personnel at every level, and in relation to the position held within the Company. All individuals at Automobili Lamborghini involved in environmental and energy matters have been identified, and their roles and responsibilities have been defined.

The organizational structure for managing the Company's environmental activities are illustrated in the following organizational diagram.

2009

FIRST ITALIAN AUTOMOTIVE COMPANY WITH EMAS CERTIFICATION

2013

FIRST ITALIAN AUTOMOTIVE COMPANY WITH ISO 14064 CERTIFICATION

2015

FIRST COMPANY IN THE WORLD TO JOIN THE CARBON NEUTRALITY PROTOCOL OF CERTIFICATION BODY DNV - GL

L|G
STEPHAN WINKELMANN
Chairman & Chief Executive Officer
The Chairman & Chief Executive Officer is responsible for approving the environmental policy and the Environmental Statement, and for appointing a management representative for the Environmental and Energy Management System with the authority and responsibility to ensure the System is implemented and maintained. He is also responsible for ensuring compliance with all applicable legislation with regard to environmental, energy and workplace health and safety aspects.
L|G-1
Strategy
L|F
Finance
L|S
Human Capital & Organization
L|Q
Quality
L|M
Project Management
L|V
Commercial
L|K
Marketing & Communication
L|E
Research & Development
L|B
Procurement
The Management Representative has the responsibility and the authority for implementing and maintaining the Environmental and Energy Management System in compliance with the Company's environmental and energy policy. He also reports to the Chairman on the status of the Management Systems so that these can be reviewed and continuously improved. He ensures the availability of the human and financial resources required by the System and for pursuing the environmental and energy management policy and has the responsibility for approving the environmental and energy improvement goals. At Automobili Lamborghini, the position of Management Representative for Environmental and Energy Matters is assigned to the Industrial Manager.
L|P
Industrial Area
RANIERI NICCOLI
Management Representative for the Environmental Management System
MASSIMO SCARPENTI
Head of Safety, Energy & Environment
The Environmental and Energy Manager oversees operational aspects for the Management Representative and is in charge of defining and managing activities concerning the Environmental and Energy Management System. He reports directly to the Management Representative for Environmental and Energy Matters and is the Head of the Safety, Energy and Environment unit, which coordinates all activities envisaged by the Environmental and Energy Management System. Two TEAMS have been set up to assist the Environmental and Energy Manager to ensure effective implementation in all Company areas of the management systems.
L|P-1
Technology
L|P-2
Logistics
L|P-3
Production
L|P-4
Composite Center
L|P-5
Production Engineering
L|P-6
Paintshop

ECO-TEAM Environment Management Team

The Eco-Team's role is to structure the Environmental Management System and promote its principles throughout the Company. It consists of a representative from each company department involved in environmental management. Its members are chosen by Management. The Eco-Team meets regularly to check the progress of its projects and goals, and to plan improvements as necessary.
All members of the Eco-Team are responsible for reporting and circulating activities defined within their respective departments.

- Purchasing
- Technical Services
- Production
- Logistics
- CFK Product & Process
- Communication
- Quality
- Human Resources & Organization
- Research & Development
- Manufacturing Engineering

GREEN-TEAM Energy Management Team

The Green Team was established to assess and research specific projects for reducing CO_2 emissions and increasing energy efficiency. In 2017, the Green-Team was restructured and expanded to include the following departments: Manufacturing Engineering (Industrialization), Composite Center Technology (CFK Center Process Technologies) and Technical Services (Infrastructure and Systems).

- Technical Services
- CFK Process
- Manufacturing Engineering

2 SIGNIFICANT ENVIRONMENTAL ASPECTS

Automobili Lamborghini S.p.A. analyzes its activities, products and services on a regular basis in order to identify the environmental aspects associated with them and to understand what level of control it can exert over them. An environmental aspect is an element of a company's activities, products or services that has impacted or could impact the environment; in other words, one that causes or could cause a change to the latter.

By cause and effect, the environmental aspects and impacts thus constitute the consequences for the environment of activities, products and services.

Identifying the environmental aspects involved the application of a life cycle perspective, that is, considering both aspects that the Company can directly control and those that it can only influence, such as those regarding services procured from third-party suppliers.

Once all environmental aspects have been identified, those having or potentially having significant environmental impacts are ascertained, using a methodology that takes the following into account:

- extent of the potential or actual damage on the environment;
- expectations or particular needs of the interested parties, including the parent company;
- suitability of current management methods, that is, the potential for improvements through economically viable actions;
- applicable environmental legislation governing the aspect being examined.

The significant environmental aspects are taken into consideration when setting the environmental performance improvement targets, and are regularly monitored. The environmental aspects identified as significant by the above mentioned methodology, and that will be covered in detail in the sections that follow, are:

- energy consumption;
- greenhouse gas emissions;
- water consumption;
- waste production;
- use of substances containing Volatile Organic Compounds (VOC);
- atmospheric emissions.

2.1 Energy use

ENERGY CONSUMPTION

Energy is one of the most important environmental aspects, and for this reason it is managed via a specific management system, as per the **ISO 50001** standard.

The energy sources used by Automobili Lamborghini are electricity and natural gas. Electricity powers the plant systems used in production process and the lighting and air conditioning at facilities; natural gas is used mostly for heating offices and industrial spaces and to produce hot water for non-industrial use, as well as partly for the production process (afterburner).

Given the size of the plants and the offices, the proportion of energy used for lighting and air conditioning is greater than that used for the production processes. From an infrastructural standpoint, Lamborghini has established more restrictive criteria for the construction of its new buildings: as of 2011, all new buildings must be energy class A. The following buildings are energy class A: Pre-Series Center, DESI Training Center, ZP7 Urus, Finishing Line ZP8, Warehouse and Paintshop. The Tower 1963 office building is rated energy class A and also has LEED (Leadership in Energy and Environmental Design) certification.

TRIGENERATION

Trigeneration is a highly efficient system that allows electric, thermal and cooling energy to be generated from a single fuel, which in Lamborghini's case is natural gas. The transformation of heat energy into refrigeration power is made possible by the use of the refrigeration cycle via an absorption chiller, whose operation is based on phase changes of the refrigerant in combination with the substance used as an absorbent. There are two systems, each with an installed power of 1.2 MWh. The installed thermal capacity is 1,190 kWt, and is used during the winter period, from November to March. In the summer (from April to October), the thermal energy produced by the two trigeneration plants is converted into cooling energy (approx. 890 kWh) by two absorption chillers designed for air conditioning applications. The electricity generated is distributed for use in the South area of the plant, while thermal and cooling energy is distributed via both an underground and overhead internal network.

7 AFFORDABLE AND CLEAN ENERGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

DISTRICT HEATING

District heating is a form of distance transport of the energy produced by a heating plant through a network of insulated underground pipes, which then returns the water to the same heating plant. Automobili Lamborghini is the **first automotive company in Italy to have a district heating system**. This system supplies hot water from a cogeneration plant, which runs on biogas, located in Nonantola (around 6 km away). The hot water (at 85°C) produced by the plant is carried through underground pipes to the facility. Here, the thermal energy supplied is used for air conditioning in the offices and manufacturing areas.

District heating
FROM COGENERATION
powered by biomethane

ELECTRICITY: USE OF RENEWABLE ELECTRICITY

Between 2010 and 2011, Automobili Lamborghini installed a photovoltaic system, to provide electricity for internal use, on the covers of the parking areas, with a power output of 678 kWp and producing approximately 820,000 kWh/year. In 2020, the system allowed a reduction in CO_2 emissions equivalent to 294 tonnes. The remaining portion of electricity used comes from renewable sources and is purchased via "Green Certificates": these certify the renewable origins of the energy sources used from qualified plants. Each certificate has a value of 1 MWh and is issued according to the amount of electricity sent to the grid by qualified systems.

100%
RENEWABLE ELECTRICITY

ENERGY HUB

The Energy Hub was completed in 2017, a centralized supply of different forms of energy and services to the North and South areas. The following technological systems were also built within the Energy Hub:

- water plant;
- cooling plant;
- heating plant;
- compressed air plant.

ENERGY HUB FOR
centralized production
OF ENERGY

In the cooling plant, 7 groups of high-efficiency refrigerators have been installed to generate chilled water. The most recently installed refrigeration units are designed to achieve top-level efficiency using the latest-generation refrigerants (R-1233zd) with a very low global warming potential (GWP).

The heating plant is equipped with two 2.7 MW-capacity boilers and two 6.3 MW-capacity boilers.

The Energy Hub includes a heat exchanger, which is in turn connected to the lines from the trigeneration and district heating plants. The latter supply input thermal energy (during the winter season) and cooling energy (during the summer) to contribute to the air conditioning needs of the North and South areas. A boiler/refrigeration unit/trigeneration and district heating sequence system always prioritizes the operation of the latter two. This makes it possible to prioritize the consumption of hot water recovered from the district heating plant and the two

CHP (Combined Heat and Power Systems), leaving the traditional high-efficiency boilers and high-EER (Energy Efficiency Ratio) refrigeration units as backups.

Distribution then continues to North and South area consumer units via both underground and overhead piping. The North area is also equipped with heating and cooling plants that operate synergistically with the Energy Hub distribution system. Centralizing the energy flows in the Energy Hub is key, above all, for defining an integrated control logic for the usage priorities of the different production technologies.

Tower 1963

LEED PLATINUM

(LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN)

92 points

THE HIGHEST SCORE IN ITALY

The project stands out for its energy efficiency and efficient use of water, internal comfort and visual connection with the exterior, as well as for the inclusion of green areas in a production area mainly featuring asphalt-covered surfaces.

PERFORMANCE

In order to have a clear understanding of the production plant's energy performance, the internal energy flows that are currently used to meet the plant's requirements must be analyzed. A diagram is given below showing the energy supply, internal transformation and requirements necessary for the buildings and processes to operate correctly.

SUPPLY BALANCE			DEMAND BALANCE	
Mains electricity		INTERNAL TRANSFORMATION	Cooling energy from electric refrigeration units Thermal energy from heat pump Cooling energy from heat pump Elect. for other uses	CONSUMER UNITS
Elect. from PV	Elect. purchased from PV Solar 3		Elect. purchased from PV Solar 3	
Mains natural gas	Mains natural gas		Self-produced and self-consumed elect. from CHP1 Thermal energy from CHP1 Cooling energy from absorption chiller 1 Self-produced and self-consumed elect. from CHP2 Thermal energy from CHP2 Cooling energy from absorption chiller 2 Process natural gas (Paintshop) Thermal energy from heating plants	
Heat energy from dist. heating	Thermal energy from district heating		Thermal energy from district heating Cooling energy from district heating absorption chiller	
Gasoline	Gasoline		Gasoline	

The complexity of the systems at the Automobili Lamborghini production facility has made it necessary to develop two different types of energy balance: supply and demand.

Both approaches are required to correctly deal with the company's energy trends, and each allows us to obtain specific information. The supply balance allows us to obtain important information on the tonnes of CO_2 produced to satisfy the energy requirements of the production site, as well as being necessary for the analysis of the economic flows related to the energy supply from the grid. It thus represents all incoming energy sources at the production site. The

demand balance, on the other hand, allows us to assess the real efficiency of the Company's energy system. As a matter of fact, the efficiency measures undertaken in the improvement plans have allowed growth of the energy demand to be contained, taking on the significant expansion in production and the heated and cooled areas in recent years in an expedient manner.

The data for the three-year period 2018-2020 are given below:

TOTAL ENERGY CONSUMPTION (TOE/YEAR)

DEMAND BALANCE	2018	2019	2020
Electric energy (TOE/year)	5,205	6,938	6,880
Natural gas (TOE/year)	0	459	680
Thermal energy (TOE/year)	1,690	2,994	2,509
Cooling energy (TOE/year)	1,293	1,535	1,392
Gasoline (TOE/year)	477	473	416
Total	**8,665**	**12,399**	**11,877**

SUPPLY BALANCE	2018	2019	2020
Electric energy (TOE/year)	4,565	6,554	6,346
Natural gas (TOE/year)	2,853	5,264	5,316
Thermal energy (TOE/year)	580	292	217
Cooling energy (TOE/year)	0	0	0
Gasoline (TOE/year)	477	473	416
Total	**8,474**	**12,583**	**12,295**

11,877
TOE/year
IS THE OVERALL REQUIREMENT OF ELECTRIC ENERGY, NATURAL GAS, THERMAL ENERGY, COOLING ENERGY AND GASOLINE RECORDED IN 2020

In 2020, the overall demand for electrical, thermal and cooling energy and for natural gas and gasoline (total energy requirement) was 12,295 TOE, an overall fall of about 288 TOE compared to 2019 (-2.3%). The fall in energy demand was mainly due to the Company shutdown following the government lockdown in response to COVID-19 (March-May 2020).

The difference between the total demand and the total supply represents the portion of energy that was produced in-house through the PV, trigeneration and district heating plants.

Indicators

Continuous monitoring of energy consumption is not, however, sufficient to outline the actual trend in the energy performance of processes and buildings. For this reason, specific energy indicators are defined. The energy indicators are always composed of two fundamental values: Energy Consumption and Energy Drivers. The Energy Drivers represent independent variables which correlate closely with the energy consumption of the company structure. The two most significant indicators for the production site consumption type are:

- consumption of thermal energy per Winter Degree Days per unit of heated volume (kWh/Win.DD*Vheat.);
- consumption of cooling energy per Summer Degree Days per unit of cooled volume (kWh/Sum.DD*Vcool.).

The choice of these indicators has made it possible to standardize the consumption of thermal energy for winter and summer climatic conditions (Degrees Day) and the volumes heated and cooled (Vheat. and Vcool.).

The following is the historical trend of the two energy performance indicators mentioned above.

Thermal energy trend

-46%

CONSUMPTION OF THERMAL ENERGY PER WINTER DEGREE DAYS PER UNIT OF HEATED VOLUME COMPARED TO 2014

EnB (Energy Baseline)
EnPI target
kWht/(Win.DD*Vheat.)

Cooling energy trend

-55%

CONSUMPTION OF THERMAL ENERGY PER SUMMER DEGREE DAYS PER UNIT OF VOLUME COOLED COMPARED TO 2014

EnB (Energy Baseline)
EnPI target
kWhc/(Sum.DD*Vcool.)

	2018	2019	2020
kWh thermal energy/Win.DD*Vheat.	1.11,E-02	1.11,E-02	9.47,E-03
kWh cooling energy/Sum.DD*Vcool.	4.58,E-02	4.98,E-02	3.85,E-02

Specific analysis of these values highlights a significant decrease for both indicators since 2014, with a stabilization of the index in 2018 and 2019.
In 2020, there was a notable impact caused by the Company shutdown due to the lockdown in response to the COVID-19 crisis. Specifically, the shutdown led to an anomalous fall in heating and cooling energy demand, with a consequent significant fall in the indicator.
When assessing the performance indicator trend year on year and the

achievement of the energy consumption reduction targets set, the data for 2020 will be discounted as it is not representative of the Company's energy performance during normal operations.

Historically, the ongoing decrease in the index was driven by the extremely high thermal and cooling efficiency of the buildings due to their envelopes, which deliver higher than average performance for an industrial building. Moreover, the heating and cooling energy supplied comes from a centralized system in the Energy Hub, which combines different technologies with high-efficiency ratios. In the energy system currently under consideration, further indicators to track the efficiency of the improvement plans implemented by the Company are also taken into account:

	2018	2019	2020
Main production site electric energy/vehicle [kWh/car]	7,890	10,332	12,340
ZP7-ZP8 electric energy/vehicle [kWh/car]	588	412	298
CFK electric energy/body shell [kWh/car]	4,210	4,015	4,228
Main production site thermal energy/vehicle [kWh/vehicle]	4,233	3,245	2,884
Main production site cooling energy/vehicle [kWh/vehicle]	2,845	2,504	2,465
Gasoline consumption/vehicle [liters/vehicle]	92	69	73

Goals

Automobili Lamborghini aims to achieve a 35% reduction in electricity consumption (specific per vehicle) by year-end 2025 over its 2010 baseline. The following table shows the trend of the indicator over the past three years:

-20.1%

TOTAL ENERGY CONSUMPTION PER VEHICLE PRODUCED [KWH/VEHICLE] VS. 2010

	2010 Reference Value	2018	2019	2020
Total electric energy consumption per vehicle produced (kWh/vehicle)	15,447	7,890	10,332	12,340
Reduction % achieved	-	-48.9%	-33.1%	-20.1%

Several improvement actions were defined in relation to these goals, as shown in the following table, that will contribute to bring down the consumption of electric, thermal and cooling energy:

Title	Goal	Actions	Time frames	Status
COGENERATION GROUPS AND EXTERNAL DISTRICT HEATING EFFICIENCY IMPROVEMENTS	Optimization of the external district heating plants and trigeneration systems.	Modification of the monitoring software by creating an algorithm that cascade manages the activation of the three energy production units: 1) Priority to use of district heating; 2) Trigen 2 only activated when sufficient heat output is achieved by trigen 1. The aim is to maximize trigen 1 output before activating trigen 2.	Dec-18	COMPLETED
AUTOMATION 4.0	Automated management of trigeneration/district heating system.	Step 1: mapping level of Lamborghini automation; Step 2: HP5: remote management of gas meters (redelivery points), HP refurbishment, building automation; Step 3: HP3A/B: remote management of gas meters (redelivery points), HP refurbishment, building automation.	Dec-20	SUSPENDED
INTERACTION EFFICIENCY IMPROVEMENT BETWEEN ENERGY HUB AND TRIGENERATION GROUPS	Remote monitoring and management of natural gas consumption.	Hydraulic modification of the heat exchanger between group Trigen 1, Trigen 2 and DISTRICT HEATING and Energy Hub to maximize the use of trigeneration groups.	Sept-19	COMPLETED
NORTH ENERGY HUB	Optimization of Energy Hub systems operation.	Decommissioning of part of the refrigeration units serving the North area and centralization of cooling energy generation through high-efficiency plants. Possible feasibility assessment of the Energy Hub 2 connection with the North Side distribution ring from the Energy Hub outlet.	Jan-22	SUSPENDED
ELECTRIC VEHICLE CHARGING STATIONS	Provision of electric vehicle charging infrastructure for employees in order to encourage electric vehicle use. Reduction of traffic-related CO_2 emissions and noise.	Installation of new electric vehicle charging infrastructure in the employee parking lots.	Dec-22	IN PROGRESS

Title	Goal	Actions	Time frames	Status
ENERGY AUDIT	ENERGY AUDIT of the entire facility.	Updated audit of the sites to measure the energy level of the buildings and of the utility systems serving the production process that have the greatest energy impact.	Dec-19	COMPLETED
REFURBISHMENT Heating Plants	Reduction in energy consumption (electricity and/or natural gas) following refurbishment of the heating plants.	Step 1: HP5: refurbishment of the plant + remote management of oversight and monitoring over SCADA; Step 2: HP3A/3B: refurbishment of the plant + remote management of oversight and monitoring over SCADA; Step 3: PPC substation: plant refurbishment; Step 4: HP1: refurbishment of the plant + remote management of oversight and monitoring over SCADA.	Oct-22	IN PROGRESS
SSC PRODUCTION DEPARTMENT HEATING SYSTEM REFURBISHMENT	Reduction in natural gas consumption in SSC production department winter air-conditioning.	Installation of insulation in the aerothermal heating supply pipes in the SSC Production department heating system.	Mar-20	COMPLETED
OOCC 1 LED LIGHTING	Reduction in electricity consumption for external nighttime lighting at the OOCC 1 site.	Installation of LED devices to replace halogen bulbs in the OOCC 1 department's outdoor lighting.	Dec-19	COMPLETED
ROOFTOP CONTROL AND ZP7 AND ZP8 ATUs	Reduction in electricity consumption for air conditioning in ZP7 and ZP8 departments.	Step 1: Installation of rooftop control system for air conditioning in the ZP7 and ZP8 department, remote management over SCADA platform; Step 2: Installation of control system for free cooling method in the ZP7 and ZP8 department air treatment units (ATUs), remote management over SCADA platform.	Mar-20	COMPLETED
AUTOMATION 4.0	Reduction in electricity consumption for lighting in site departments in the North Area.	Step 1: mapping of the current lighting monitoring systems in the North Area departments and check of the current operation status; Step 2: restoration of automated lighting control where not operational and installation where lacking, remote management of lighting over SCADA platform.	Jun-21	IN PROGRESS

Title	Goal	Actions	Time frames	Status
PILOT PROJECT FOR MONITORING NORTH SIDE DEPARTMENTS' INPUT POWER (electrical cabin no. 1 + electrical cabin no. 5)	Extension of monitoring of electricity input power to identify any input irregularities, with special focus on nighttime use.	Temporary installation of devices to monitor input power of units fed by electricity cabin no. 1 + electricity cabin no. 5: Step 1: identification of the units to be monitored; Step 2: start of unit monitoring period (6/8 months).	Oct-21	IN PROGRESS

2.2 Greenhouse gas emissions

Annual greenhouse gas emissions are expressed in tonnes of CO_2 equivalent and are calculated by Automobili Lamborghini through the preparation of an emission inventory showing the amount of CO_2 produced each year by the entire production process (Carbon Footprint), as set out in the **ISO 14064** standard. The following are included in the scope of the audit as per the standard of reference:

- all fixed and mobile combustion sources (natural gas, gasoline and diesel) and all leaks of refrigerant from cooling systems (Scope 1);
- production of consumed electricity (indirect energy sources), and heat imported by district heating (Scope 2);
- transmission and distribution losses of natural gas and electricity consumed on the operational site (other indirect sources, Scope 3).

Since 2015, Automobili Lamborghini has been offsetting the portion of GHG emissions from the use of electricity, natural gas and all fossil fuels used for heating its buildings and generating electricity at the Sant'Agata Bolognese production site, in compliance with the **Carbon Neutrality Protocol (Det Norske Veritas DNV - GL Business Assurance)**. These emissions represent about 90% of the total emissions accounted for in the inventory.

The updating of the **ISO 14064:2018** standard and the group's commitment to its decarbonization strategy throughout the entire life cycle of its products will enable further improvement in this area over the coming years, with the development of CO_2 emissions monitoring in other Company operations, and projects to reduce greenhouse gas emissions throughout a product's life cycle (e.g. transport, vehicle use, etc.).

RESULTS OF THE 2020 AUDIT

Automobili Lamborghini S.p.A.'s total greenhouse gas emissions in 2020 were 23,787 tCO_2e, broken down as follows:

	2018 tCO_2	2019 tCO_2	2020 tCO_2
Scope 1 emissions	8,924	14,125	12,662
Scope 2 emissions	7,629	10,299	9,458
Scope 3 emissions	1,152	1,776	1,667
Total GHG emissions	**17,705**	**26,200**	**23,787**
Emissions included in the neutrality protocol	**16,180**	**23,665**	**22,253**
Emissions per vehicle produced (tCO_2/vehicle)	**2.69**	**3.02**	**3.3**

In 2020, the Company shutdown following the government lockdown in response to the COVID-19 crisis (March-May 2020) led to a fall in Scope 1 and 2 emissions, associated with plant energy demand and business trips using Company vehicles.

In 2020, the source of emissions with the greatest impact for the Company were again Scope 1 direct emissions (53% of the total). This was followed by Scope 2 emissions associated with electricity use (about 40% of the total). Within Scope 1, emissions associated with natural gas consumption had the greatest impact (87%), followed by those associated with gasoline consumption (10%), with the consumption of refrigerant gases added to refrigeration systems (2%), and with business trips (1%).

-33%

REDUCTION IN CO_2 EMISSIONS IN 2019 THANKS TO IN-HOUSE ENERGY EFFICIENCY PROJECTS AND USE OF RENEWABLE ENERGY

INTERNAL REDUCTION OF CO_2 EMISSIONS

The reductions achieved during the three-year period 2018-2020 are given below:

Internal reduction of GHG emissions

	Date of implementation	Reduction achieved		
		2018 tCO_2	2019 tCO_2	2020 tCO_2
Trigeneration 1	May-15	428.49	244.68	556.80
Trigeneration 2	Oct-17	18.69	468.30	622.31
District heating	Jun-15	615.25	459.77	400.24
Photovoltaic system (491 kWp)	Jan-15	336.79	336.07	291.15
Sunshade system	Jan-15	100.36	100.36	100.36
Replacement of lighting with LED lighting systems	Jul-15	4.92	4.92	4.92
Replacement of doors and windows in the production department	Jan-16	129.59	129.59	129.59
Efficient heat recovery system (steps 1 + 2)	Jan-16	401.06	401.06	401.06
Booth supervision system	Sept-16	785.55	785.55	785.55
Replacement of pumps of Heating Plant 5	Sept-19	-	3.69	11.79
Installation of an automatic ZP8 Rooftop powering on/off system	Dec-19	-	18.55	549.45
SSC circuit heat insulation	May-20	-	-	20.08
Replacement of pumps of Heating Plant 3	Oct-20			3.50
TOTAL REDUCTION IN EMISSIONS [tCO_2]		**2,820.69**	**2,952.52**	**3,876.79**

For the complete list of reduction targets, see the chapter on energy consumption.

OFFSETTING OF

CO_2 emissions

THROUGH PURCHASE OF

Carbon Credits

Indicator

GHG Emissions Reduction annual relationship (R_a)	2018	2019	2020
AR = GHGE-AVR / GHGE-ACB	0.791	0.795	0.752

In 2020, the annual ratio between Annual Verified Residual GHG emissions and Annual GHG emissions from the Corrected Baseline (Ra = GHGE-AVR / GHGE-ACB) was 0.752, a reduction compared to 2019.

There was a 33% fall in 2020 compared to the 2014 baseline year.

CO_2 EMISSIONS OFFSETTING

Lamborghini's commitment ever since 2015 has been that of maintaining the manufacturing facility CO_2 neutral in the years to come.

Offsetting the CO_2 emissions from the use of electricity is performed through the purchase of Green Certificates: these certify the renewable origins of the energy sources used from qualified plants. Each certificate has a value of 1 MWh and is issued according to the amount of electricity sent to the grid by qualified systems.

The remaining CO_2 emissions are offset by purchasing Carbon Credits: 1 "carbon credit" represents the unit of reduction or removal of greenhouse gases generated by a project, corresponding to one tonne of CO_2 equivalent, which is admissible for exchange and sale on a market. All credits are certified and recorded in the Eco2care VER (Verified Emissions Reduction) Register, managed by CE.Si.S.P. – the Inter-University Center for the Development of Product Sustainability – in Genoa.

CO_2 EMISSIONS OFFSETTING PROJECTS

Project	Origin	Description
BICYCLE MOBILITY	Italy - City of Bologna The **Bologna Carbon Market** (BoCaM) is a market for voluntary carbon credits developed at the local level by the City of Bologna.	Creation of city cycle lanes and urban reforestation operations linked to bicycle mobility. *Notes:* *The project came to an end in 2017.*
CARBON CAPTURE & STORAGE	Italy Sustainable agriculture project: "**Valle Capitania**" in the province of Rovigo. "**Valle Lagunare** - Val Dogà, Caposile - Venice".	Natural CCS - carbon capture and storage - mechanism. Using the natural mechanism of brackish water which captures atmospheric CO_2 and transfers it to the underwater photosynthetic systems (algae and aquatic plants), the lagoon collects CO_2 and stores it, naturally and without any artificial mechanism, in the muddy subsoil. This is a natural process which is enhanced by the traditional and historic activity of these fishing lagoons (dating back to the 5th century), and implies sustainable, optimal environmental management for carbon dioxide capture.
REFORESTATION	Italy Planting bamboo trees to increase the capture of greenhouse gas emissions. **Società Agricola Bambù S.r.l.** – Municipality of Montemilone (PZ).	Reforestation of intensively-farmed grassland with a bamboo forest to maximize the capture of greenhouse gases and protect the soil from hydrogeological risks and erosion. Bamboo roots absorb water like a sponge. Thanks to their dense network in the subsoil, they represent an excellent solution against hydrogeological instability and a natural and effective sewage water and air purifier, removing a large amount of CO_2 (carbon dioxide). Through photosynthesis, the bamboo plantation naturally takes in CO_2 from the atmosphere in greater amounts compared to other trees. It can capture up to 4 times more CO_2 than a young forest, and produce 35% more oxygen. *Notes:* *The project came to an end in 2019.*

100%
OF RESIDUAL EMISSIONS OFFSET

FINAL STATEMENT OF CO_2 EMISSIONS

The greenhouse gas emissions sources that have been offset in the past three years are reported in the table:

	2018	2019	2020
TOTAL EMISSIONS OFFSET [tCO_2/year]	**16,180.10**	**23,665.10**	**22,253.34**
Purchase of Green Certificates for electricity	-8,096.31	-10,915.19	-10,003.92
Purchase of Carbon Credits	-8,083.79	-12,749.91	-12,249.42
Residual emissions	0	0	0

All information relating to the method used to identify the operational boundaries, to determining the GHG emissions associated with them, to identifying the actions which aim to minimize these emissions and to the summary of the results obtained are detailed in the Neutrality Report, an internal document prepared by the Environmental Manager and audited by the certification body.

2.3 Water consumption

Working towards water sustainability is a topic of key interest to companies today because of the environmental impacts of water consumption, including the reduction of the water resource, which is necessary for life, and the loss of quality after its use. Committing to a reduction in our water consumption means investing in new technologies, studying the processes in depth and preparing ourselves for the possible future scenarios.

USE OF WATER RESOURCES

Water for Automobili Lamborghini premises is taken from the mains supply and from wells belonging to the Company. The water taken from the mains supply mostly serves non-industrial purposes (bathrooms, cafeteria services and cleaning). In recent years, the Company has shown a strong commitment to decreasing the use of drinking water by progressively increasing its use of well water.

The underground water sourcing network consists of four wells that currently supply the system serving the production process, the water tests and vehicle and body shell washing, topping up of the autoclave coolant water, the air cooling and treatment systems, and the irrigation of green areas.

Before discharging into the municipal water drainage system, industrial waste water is treated at the chemical-physical treatment plant.

As laid down by Decision (EU) 2019/62, the Company is in the process of implementing several environmental management best practices related to the sustainability of its own processes. The aim is to improve its water-use efficiency. The following water saving solutions are already in place:

- high-efficiency body shell wash robot that uses heated water from the autoclaves' work cycle;
- partial recycling of the water used in the water tests and for washing the vehicles;
- rainwater collection tank for irrigation of the green areas around the Office Block.

Furthermore, in 2020, the Company:

- modified the cooling system for the RTM injection machine (CFK department). This involved the installation of a refrigerator for the RTM (CFK) line to cool the water in the thermoregulator heat exchanger, which previously used disposable softened water for cooling. This led to an estimated annual saving of about 4,500-5,000 m^3 of well water;
- completed a system for collecting the condensate water from the Paintshop air treatment unit (ATU); from January 2021, this will be fed back into the storage tank in the water plant and so be reused in the manufacturing process. There is a flow meter on the recycling line. An annual saving of 20,000-30,000 m^3 in well water is expected;
- launched a project to limit water consumption at the branch site at 30, Via Lamborghini, to build a closed loop cooled-water generation and distribution

system. The cooled water will be used to control the temperature of the installed systems, during operation, which would otherwise use up to 32,000 m^3 of disposable potable water per year.

Performance

In 2020, total water consumption was **245,129** m^3.
Potable water consumption was reduced by about 16,000 m^3 compared to 2019. The fall was mainly due to reduced on-site personnel and services (e.g. the Company restaurant) during the Company shutdown.

On the other hand, well water consumption for industrial use increased by 4% compared to 2019. This rise is due to the productivity increase in the new Paintshop, which uses significant quantities of water for the air treatment systems and for washing the painting lines. Well water usage in 2020 comprised 72% of the total water used.

72%
WELL WATER

	2018	2019	2020
Potable water consumption (m^3)	98,341	84,736	68,670
Well water consumption (m^3)	106,619	168,915	176,459
Total water consumption (m^3)	204,960	253,651	245,129
Potable water consumption per employee (m^3/employee)	56	47	39
Well water consumption per vehicle produced (m^3/vehicle)	16	20	24
Well water consumption as % of total	**52%**	**67%**	**72%**

Indicators

Indicators were defined to represent Automobili Lamborghini's use of water, relating potable water to the number of employees (non-industrial use) and well water to the production of vehicles or body shells (industrial use). The data for the three-year period 2018-2020 are given below:

	2018	2019	2020
Potable water consumption per employee (m^3/employee)	56	47	39
Well water consumption per vehicle produced (m^3/vehicle)	16	20	24

In 2020, the specific consumption of potable water fell due to the interruption of operations during the Company shutdown in response to the emergency. On the other hand, industrial water consumption increased significantly, demonstrating that the productivity increase in the Paintshop led to greater water demand due

to the air treatment of the work spaces, which require humidification, and to the water replenishment of the evaporation towers used to cool the department.

Goals

-35%
BY YEAR-END 2025

Automobili Lamborghini aims to achieve a 35% reduction in water consumption (specific per vehicle) by year-end 2025 compared to 2010. The following table shows the trend of the indicator over the past three years:

	2010 Reference Value	2018	2019	2020
Total water consumption per vehicle produced (m^3/vehicle)	46.2	31.2	29.3	33.7
% of reduction achieved compared to 2010	-	-32.5%	-36.6%	-27%

Several improvement actions were defined in relation to this goal, as shown in the following table, that will contribute to bring down the consumption of water:

Title	Goal	Actions	Time frames	Status	Notes/ Updates
RECOVERY OF THE WATER DISCHARGED BY THE PURIFICATION PLANT	Reduced consumption of industrial water [up to ~10 m^3/hour over the summer months]. This is expected to save 20,000 - 30,000 m^3/year of water.	Creation of a system for recovering the industrial waste water discharged by the purification plant connected to the Energy Hub.	Dec-20	GOAL MODIFIED	A technical feasibility analysis has been completed for recycling, in the Energy Hub, part of the Paintshop process condensate (as much as 10 m^3/hour in the summer period alone) currently being sent to the industrial waste water discharge. System completed in December 2020. The link and corresponding monitoring of the recycled water will be operational from January 2021.

Title	Goal	Actions	Time frames	Status	Notes/ Updates
AUTOCLAVE 1 WATER RECOVERY SYSTEM	Installation of a water recovery system at autoclave 1 [-5,400 m^3/ year].	- Equipping Autoclave 1 in the Composite Materials Department with a closed-circuit water recovery system like for Autoclave 2. - Inspection and feasibility study. - Design. - Implementation of the measure.	Dec-17	GOAL SUSPENDED (entered in the prospect registry)	Goal suspended: after altering the area layout, the autoclaves were moved to an area with insufficient space to accommodate a water cooling and recovery tank (action entered in the prospect registry). October 2019: possible opportunities for implementation are currently being assessed in view of the plan to modify the facility's existing layout. December 2020: awaiting the installation of the new chiller in the Composite Materials Department to assess the feasibility of connecting the autoclave.
REMOTE MANAGEMENT OF WATER METERS	Remote monitoring of water consumption and leaks.	- Mapping of the meters throughout the facility and their remote management. - Installation of meters for division of the old section.	Dec-20 Dec-21	IN PROGRESS POSTPONED	Mapping of meters completed. Awaiting closure of call for tenders for the installation of measuring instruments.
LIMITING WATER CONSUMPTION IN THE OOCC DEPARTMENT	Limiting the consumption of the potable water used in the OOCC 1 and 2 for the plants' cooling process [avoided consumption of about 32,000 m^3/year].	Installation of a cooling plant for chilled water production and its ring distribution system to the consumer units needing cooling.	Jun-21	IN PROGRESS	Feasibility study completed with successful outcome. Project approved during execution. Work completion expected in April 2021.
REDUCTION OF WELL WATER CONSUMPTION	Reduced consumption of industrial water [~4,500 - 5,000 m^3/year].	Installation of a refrigerator serving the RTM (CFK) line to cool the thermoregulator heat exchanger water; the thermoregulators currently use disposable softened water for cooling.	Dec-20	COMPLETED	Modification of the cooling system carried out in May 2020.

2.4 Waste production

The main type of waste produced in the facilities of Automobili Lamborghini is listed below.

Hazardous/non hazardous special waste:

- paper and cardboard packaging, wood, mixed materials, iron;
- contaminated rags (for surface cleaning);
- booth filters (painting, lamination, grinding, sandblasting, etc.);
- paint, solvent and sealant (from painting process) residues;
- wash water and solvent-contaminated waste water solutions (from painting process);
- waste abrasive materials (from sandblasting and machine-tool working);
- emulsions (machine tools);
- sludge;
- contaminated steel and plastic packaging;
- iron, steel and aluminum waste from demolitions;
- car parts, tires and end-of-life vehicles (quality rejects, prototypes, motorsport or crash-test vehicles);
- carbon fiber scraps (from the Composites site).

Waste similar to urban refuse: paper, plastic, glass and organic waste from canteen facilities, refreshment areas and offices.

The temporary waste storage area covers a surface area of about 4,500 m^2, and includes a dedicated porter's lodge, a bridge scale, a covered area for loading forklifts and a warehouse for the storage of hazardous waste. Paved areas in high-strength concrete were created in the outside yard for positioning all containers, the stationary presses, and the boxes and tanks required for separated collection of the materials from the production departments. Specialized workers collect, sort and transfer all the special waste produced in the entire factory to the Ecological Area.

With reference to Decision (EU) 2019/62, the Company has already implemented several environmental management best practices related to the sustainability of its own processes. The aim is to reduce its production of waste. These practices include:

- defining waste collection and sorting procedures and methods;
- measuring and monitoring waste production on a regular basis;
- including a clause in our contracts with waste disposal contractors to avoid sending as much waste out to the landfill as possible and promote its recycling. Lamborghini has made a request to give priority to recycling over landfill disposal in the technical specifications of the waste disposal contract.

The transition from a linear economy (production - consumption - waste) to a circular economy is by now essential to reach the goals of sustainability and environmental protection that our Company has pursued for years. The circular economy responds to the wish to transition to sustainable growth, within the context of the growing pressure that production and consumption exert on the world's resources and the environment. In the circular model, manufacturing

waste is not disposed of but transformed into precious new resources, benefiting the environment and society.
As part of this journey, two new projects were realized in 2020:

CARBON FIBER SCRAPS: A NEW LIFE FOR THE TRAINING OF YOUNG PEOPLE

The project grew from the collaboration between Automobili Lamborghini and the Experis Academy technical institute in Fornovo di Taro, Italy: the parts of the carbon-fiber rolls, generated in the CFK department during the manufacturing process, which can no longer be used in manufacturing are sent to the technical institute; the latter reuses them in its laboratory for training technical experts in the processing of carbon-fiber composite materials. These materials are transformed in the Experis laboratory into valuable raw materials used in teaching students. A long period of team work was required among the Environment office, Legal office, Production and the institutes's technicians in order to identify the most suitable contractual framework for managing the process, in line with the relevant environmental legislation. With this project, we were able to demonstrate that the scraps cease to be categorized as "waste" and become "by-products", since the direct use to which they are assigned meets all legal requirements for safeguarding human health and the environment. The by-product generated is effectively a raw material. This synergy has enabled us to begin a collaboration that has given rise to a virtuous and innovative path of environmental, economic and social sustainability.

A SECOND LIFE FOR OUR LEATHER, THANKS TO A VALUABLE PARTNERSHIP

With the same objective in mind, the idea emerged of reusing leather offcuts from our Upholstery Department, following an agreement with the Cartiera Cooperative in Marzabotto, near Bologna. They recover leather and textile by-products, which are then sorted and transformed into high quality leather goods, using materials that would otherwise be disposed of as waste. Cartiera is a small ethical-fashion workshop founded in 2017 that produces leather and textile accessories by recovering high quality raw materials. These are worked using artisanal Italian techniques and employing disadvantaged people. Its production process is ethically and socially sustainable. The leather that does not pass the Upholstery Department's quality controls during cutting, and remnants that are unusable owing to their size or small natural defects, are effectively treated as a raw material and can thus be given a new life by transforming them into one-off objects. With some of these remnants, Cartiera has already made small personalized leather objects, used as welcome gifts for guests in the Lamborghini Lounges in Tokyo and New York. The products are packaged with a brief message explaining the value of the project in terms of its environmental and social sustainability. The project's circular model not only helps to reduce our environmental impact but also creates jobs and encourages social inclusion.

56%

OF WASTE SENT FOR RECYCLING IN 2020

Indicators

Indicators were defined to represent, in detail, Automobili Lamborghini's production of waste in relation to the number of vehicles produced:

- total annual production of waste per vehicle produced [total kg/year*vehicle];
- total annual production of waste sent for disposal per vehicle produced [kg sent for disposal/year*vehicle].

The waste production data for the three-year period 2018-2020 are given below:

Performance

	2018	2019	2020	unit of measurement
Non-hazardous waste sent for recycling (excluding metal waste)	945	970	789	t/year
Non-hazardous waste sent for disposal	169	114	552	t/year
Hazardous waste sent for recycling	235	357	180	t/year
Hazardous waste sent for disposal	231	251	395	t/year
Metal waste	245	281	200	t/year
Total waste recovered	1,180	1,327	969	t/year
Total waste disposed of	400	365	947	t/year
Waste not linked to production	0	50	34	t/year
Total annual production of hazardous waste	466	608	575	t/year
Total annual production of waste	**1,825**	**2,023**	**2,151**	**t/year**
Vehicles produced	**6,577**	**8,658**	**7,267**	**no.**
Total annual production of waste per vehicle produced	**277**	**234**	**296**	**total kg/ year*vehicle**
Total waste sent for disposal per vehicle produced	**61**	**42**	**130**	**kg of waste sent for disposal/ year*vehicle**

The total amount of waste produced in 2020 was 2,151 tonnes, a 6% increase over the previous year.

Reduced production volumes caused by the 70-day shutdown during the first phase of the COVID-19 emergency led to a drop in waste from production, especially packaging, metal waste, tires and end-of-life vehicles. On the other hand, the productivity rise in the painting process in the second half of the year led to increased production of:

- waste water solutions from equipment and circuit washing (541 t);

- solvents used for cleaning (165 t);
- leftover paint (8 t).

The painting process is based on highly complex technologies that must be able to guarantee high standards of color customization to meet clients' needs. For this very reason, frequent color changes are needed during the manufacturing sequence, requiring numerous equipment washing cycles and the consequent generation of large quantities of liquid waste.

Goals

Automobili Lamborghini is committed to a 35% reduction in the production of waste sent for disposal (specific per vehicle) by year-end 2025 compared to 2010. The following table shows the trend over the past three years:

	2010 Reference Value	2018	2019	2020
Production of waste sent for disposal per vehicle produced [m³/ vehicle]	184.52	60.82	46.71	130
Reduction % achieved	-	-67.0%	-74.7%	-29%

Unlike previous years, when the indicators showed an upward improvement trend, the fall in 2020 was less than in 2019. The painting process's increased generation of waste water sent for disposal had a negative impact. Technical solutions to optimize consumption and the final treatment of such washing solutions are still being assessed, and will be further explored in 2021.

-35%

BY YEAR-END 2025

Positive trend

FOR THE WHOLE THREE-YEAR PERIOD

Several improvement actions were defined in relation to this goal, as shown in the following table:

Title	Goal	Actions	Time frames	Status	Notes/Updates
RECOVERY OF CARBON FIBER SCRAPS	35% reduction in waste sent for disposal (per vehicle produced) by year-end 2025 compared to 2010.	Study on carbon fiber recycling and approval of recycled fiber products to be used subsequently in our vehicles.	Pilot project extended until 06/30/2021	GOAL UPDATED IN PROGRESS	A Pilot Project was launched in 2019 involving Lamborghini and the specialist carbon fiber supply and recycling company. The project involves some types of carbon fiber scraps from the Lamborghini production process (offcuts) being sent for recycling (R4), as well as the supply of recycled products for use in various applications. Fibers have been collected separately and sent to the plant for recycling by pyrolysis since November 2019. Deliveries to the supplier began in September 2020. Quantity of waste sent for recycling (R5) in 2020: 18.17 tonnes.
REUSE OF CARBON FIBER BY-PRODUCTS	Reduction in amount of waste per vehicle produced [<50 kg/ year].	Project involving the analysis and validation of a process for reuse of the scraps generated by the production process at CFK, so that they can be provided in the form of "by-products" to an engineering training institute doing carbon lamination work.	Dec-20 Project running until 9/2021, and may be further extended	IN PROGRESS	Technical feasibility of the engineering institute reusing the fibers assessed with positive outcome. Accompanying documents prepared (contract and technical report). Deliveries to the supplier began in November 2020. Quantity of scraps handed over in 2020: ~55 kg.
RECOVERY OF LEATHER SCRAPS	Reduction in amount of waste per vehicle produced [-5 t/year].	Study into possible projects for reuse of the leather scraps from the in-house Upholstery Department.	Dec-22	IN PROGRESS	Possible projects for the use of the leather scraps from the Upholstery Department are now under study in collaboration with social cooperatives. Collaboration launched with a local cooperative involving the reuse of some of the leather offcuts to make small leather Lamborghini-brand objects. Quantity of scraps handed over in 2020: 1.27 t.

Title	Goal	Actions	Time frames	Status	Notes/Updates
REDUCTION IN RAG AND ABSORBENT MATERIAL DISPOSAL	Reduction in amount of waste per vehicle produced.	Study regarding the replacement of disposable rags and absorbent material with washable ones.	Dec-21	GOAL SUSPENDED	Study regarding the replacement of disposable rags and absorbent material with washable ones. Use in identified areas now being tested. Target temporarily suspended due to difficulties in organizing the incoming/outgoing materials logistics flow.
REDUCTION OF LIQUID WASTE GENERATED BY THE PAINTSHOP	Reduction in waste products sent for disposal [1,000 t/ year)].	Feasibility study for treating the wash water generated by the Paintshop. Realization of a treatment plant.	Dec-22	NEW GOAL	

2.5 Use of substances containing Volatile Organic Compounds (VOC)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

The use of solvent-containing products is a problematic aspect in Automobili Lamborghini's environmental management. For example, solvents are used for cleaning vehicle body components and molds and in vehicle finishing, coating and painting activities.

Heavy use of solvents leads to high Volatile Organic Compound (VOC) emissions levels. Based on Article 268(11) of Italian Legislative Decree no. 152/2006, VOCs are defined as any organic compound having a vapor pressure of 0.01 kPa or greater at 293.15 K (20 °C). VOCs can cause an array of negative effects to the health of living beings. For this reason, Automobili Lamborghini keeps track of them to ensure compliance with the limits established under Article 275 of Italian Legislative Decree 152/2006. Activities monitored include:

- cleaning of surfaces with a solvent consumption greater than 2 t/year (all departments);
- adhesive covering with a solvent consumption greater than 5 t/year (CFK Center and Upholstery Department);
- covering of metal and plastic surfaces with a solvent consumption greater than 5 t/year (CFK Center);
- vehicle finishing with a solvent consumption greater than 0.5 t/year (Finishing Department);
- vehicle covering with a solvent consumption greater than 0.5 t/year (Paintshop).

The **Paintshop** employs technologically innovative equipment and **95% of the colors used are water-based**. Moreover, solvent emissions are extremely low, thanks to an afterburner that can recover heat and reuse it to heat the ovens on the painting line.

SOLVENT MANAGEMENT PLAN

As it comes under the applicable range of Article 275, the Company presented a mass balance in March 2020 regarding its surface cleaning activities throughout 2019. The value determined for fugitive emissions (0.85 t/year of VOCs), compared with the relative figure for solvent inputs (5.54 t/year), demonstrates compliance with the relevant maximum limit, which cannot exceed 20% of the input.

As far as vehicle finishing and adhesive and surface covering activities are concerned, the value of tonnes of VOCs obtained means the Company is not required to present a mass balance for solvents. With regard to the submission of the solvent management plan for vehicle covering activities (Activity 6.2: vehicle coating > 15 t/year), an accurate consumption assessment will be possible only after the equipment becomes operational, expected during 2021.

95%
OF THE COLORS USED IN THE PAINTSHOP ARE WATER-BASED

For 2020, too, the Company will submit a mass balance for its surface cleaning activities, having reached 6.59 tonnes of consumed solvent-based material.

During the year, a low-VOC degreaser was introduced by the CFK to replace one with high levels of volatile organic solvents. This led to a total reduction in VOC emissions of 137.5 kg/year.

Goals

Automobili Lamborghini has made a commitment to achieve a 35% reduction in the portion of Volatile Organic Compounds emitted into the atmosphere (specific per vehicle) by year-end 2025 compared to 2010. The following table shows the trend of the indicator over the past three years:

INTRODUCTION OF NEW ALTERNATIVE
water-based
PRODUCTS IN THE CARBON FIBER BODY SHELL PRODUCTION PROCESS

	2010 Reference Value	2018	2019*	2020*
Volatile Organic Compounds emitted in the atmosphere per vehicle produced [t/year]*	3.53	3.1	3.00	4.43
Volatile Organic Compounds emitted into the atmosphere [kg/vehicle]	2.9	0.47	0.35	0.61
Reduction % achieved	-	-83.62%	-87.96%	-78.80%

*excluding Paintshop.

Several improvement actions were defined in relation to this goal, as shown in the following table.

-35%
BY YEAR-END 2025

Title	Goal	Actions	Time frames	Status	Notes/ Updates
SOLVENT REDUCTION	Group target by year-end 2025: **35%** reduction in specific VOC emissions compared to 2010 [kgVOC/vehicle].	Sharing/awareness-raising among Technology/Research & Development bodies of VOC-reduction goals as an aspect to take into consideration during the design stage of future vehicle models.	Dec-19	NEW GOAL COMPLETED	"Innovation Workshop" held in June 2019.
SOLVENT REDUCTION	Group target by year-end 2025: **35%** reduction in specific VOC emissions compared to 2010 [kgVOC/vehicle].	Reduction in the use of solvent-based products in the production departments (CFK, Paintshop, Finishing).	Annual goal up to December 31, 2025	UPDATED IN PROGRESS	CFK: in September 2019 the use of a new water-based degreaser was validated for cleaning the inside of the tank. This product contributes to decreasing consumption of high VOC content solvents. In 2020, the use of water-based materials was further increased. In 2021, approval is expected of the Chemlease 2754W water-based release agent to replace Chemlease 2191W (008970324) and PMR 90 EZ (008970250). A study is ongoing of the complete substitution of the UNI708 solvent with a H_2O-based product for the new Aventador model (2023).
SOLVENT REDUCTION	Group target by year-end 2025: **35%** reduction in specific VOC emissions compared to 2010 [kgVOC/vehicle].	Creation of a list of low-solvent products deemed safe and environmentally suitable in order to promote their use in the different company areas.	Dec-21	GOAL MODIFIED	Implementation of Company software to assess incoming chemical substances, including an environmental assessment of the content of solvents. The software will constitute a database that can be consulted by all technicians, who will also be made aware of and trained on the appropriate characteristics. Database implementation in progress (April 2021).

2.6 Atmospheric emissions

The atmospheric emissions that are released from the plant into the atmosphere can be classified as follows:

- emissions deriving from production operations (e.g. gluing, sandblasting, grinding and trimming of parts made of carbon fiber and resin-based fillers; oil fogs used in CNC processing; and volatile organic compounds released from substances containing these compounds, etc.);
- combustion fumes from heating systems;
- exhaust gases produced during engine and vehicle tests;
- ovens for curing carbon-fiber parts.

The data for the total annual emissions into the atmosphere for 2020 are provided below:

	Annual mass flow			
	VOC	NO_x	OC	TPM
t/year	4.43	8.92	122.06	2.54

	Annual mass flow	
	Alkaline substances	Oil fog
t/year	0.00	0.03

3 NON-SIGNIFICANT ENVIRONMENTAL ASPECTS

3.1 Training, information and communication

Automobili Lamborghini also strives to set a benchmark in the environmental field for its employees and their families. This commitment is implemented through many activities and initiatives at Lamborghini Park, through the communication within and outside the Company of all information on the Environmental Management System and through the environmental communications campaigns, to ensure all personnel make a contribution toward continuous improvement. We will now look at the Company's main projects.

#LAMBORGHINISNEWTRAIL: CREATION OF THE COMPANY SUSTAINABILITY TASK FORCE

The last few years have revealed starkly but clearly that climate change impacts our daily lives, not only as people but also as companies, as organizations and as societies in the broadest sense. The COVID-19 emergency has focused attention on the close connection between human health and the health of the planet, heightening the understanding of the importance of implementing a sustainability strategy to prevent risks linked to climate change. Indeed, after this experience, the message we will carry with us is that we are all interconnected and sharing the same planet. We have a responsibility to act in such a way that the Earth is a pleasant and life-sustaining home for all humanity that lives on it, above all for its wellbeing. Therefore, we must, and we want, to act as individuals and as a company, in the belief that our choices and actions will make a difference.

In 2020, for this very reason, we set up the Sustainability Task Force, an interdepartmental Company unit created to streamline the coordination of communications campaigns, and more besides. All Company departments are part of the Task Force. The agenda changes at each meeting depending on the ongoing projects, the updates to be shared and the ideas to be implemented. The Sustainability Task Force aims to act as the main control and coordination center, yet the success of each successive step and consequent implementation with a view to environmental sustainability depends on inter-functional teamwork, with every person and department playing an important and responsible role. Today more than ever, it is important to communicate Company activities to an ever wider public, and with a united voice. An editorial plan has been drawn up with the aim of communicating sustainability content via the Company's main channels.

CREATION OF THE
Sustainability Task Force

The launch of the first content was in May, when we reported on the annual Environmental Statement itself; the second launch was on International Day for Biological Diversity, when we discussed the fundamental link between biodiversity and the role of bees, which also play a key role at Lamborghini Park. Environmental sustainability projects are also reported to the outside world via the media, increasingly interested in such themes. For example, journalist Cristina Gabetti came to visit us at the beginning of March here in Sant'Agata for the program Occhio al Futuro (Eye on the Future), entirely devoted to environmental issues. As well as visiting Lamborghini Park and the manufacturing plant, she interviewed our Chief Manufacturing Officer Ranieri Niccoli, who talked about all the projects aimed at reducing Automobili Lamborghini's environmental impact. There is still much to do, but, as everyone knows, Lamborghini never shies away from new challenges or new roads to travel.

AUTOMOBILI LAMBORGHINI SUPPORTS THE UNITED NATIONS' SUSTAINABLE DEVELOPMENT GOALS

With an eye always on the future and on new roads ahead, in 2020, Lamborghini celebrated 75 years since the establishment of the United Nations, continuing its commitment to support the UN Sustainable Development Goals (SDGs).

SUPPORT FOR THE UN
Sustainable Development Goals

Clean energy, the fight against climate change, responsible production and economic growth: these are just some of the goals the UN has included in its program that aims to respond to the new global challenges for a brighter and sustainable future. Lamborghini has made 14 of the 17 goals its own, to create a fairer, more sustainable tomorrow marked by progress, recognizing the UN SDGs as important guidelines to give everyone the possibility of living in an environmentally, socially and economically sustainable world.

The full document is available at www.lamborghini.com.

ANALYSIS

4US

PEOPLE CARE PROGRAM FOR EMPLOYEES

INTERNAL COMMUNICATIONS CAMPAIGNS

In 2013, Automobili Lamborghini launched Lamborghini 4US, a structured People Care program aimed at improving employees' quality of life. The program has four sections, focused on people, wellbeing, training and the environment respectively, and covers all existing and future Company initiatives with a view to continuous improvement. The Environment section is aimed at raising awareness among Company personnel through dedicated communications campaigns and environmental activities, such as saving energy, separate waste collection and respect for the environment. Since 2014, besides regular communications campaigns, the Company has published "Focus", a periodic in-house magazine with sections on sustainability aspects to inform employees about its environmental commitment. The aim is to shed light on projects and improvement targets, describing each day how the Company sets an example with its environmental commitment.

Events

DEDICATED TO ENVIRONMENTAL SUSTAINABILITY, FOR EMPLOYEES, THEIR FAMILIES AND THE ENTIRE LOCAL COMMUNITY

With the aim of always increasing employee engagement, including outside of work, we have continued to use Lamborghini Park in recent years to encourage the development of environmental culture and education for new generations. In particular, these have included events organized for employees and their families, and also open to residents of Sant'Agata Bolognese, involving thematic events structured around environmental topics. These include workshops about bees and their important role, about recycling, and finally a workshop, in conjunction with the GEV (Voluntary Eco Guard), to encourage people to learn about the oaks and wildlife in Lamborghini Park.

There are also numerous internal communications campaigns on environmental topics, such as the mindful use of water, energy savings and separate waste collection, all aimed at raising awareness of the impact of each of our actions and how we can make a difference in our daily lives.

NEW TRAINING PLATFORM

In 2020, a new Company training platform was launched aimed at supporting personal growth. Various channels are available on the platform, with freely available contributions from an in-house community of experts. From 2021, a sustainability channel will be launched, as well as basic environmental training that all employees at all Company levels will be expected to take.

A summary of our main ongoing projects related to this environmental aspect is provided below:

Title	Goal/ Result	Actions	Time frames	Status
INTERNAL COMMUNICATION	Raising employee awareness on environmental matters.	Launch of an internal communications campaign on environmental matters (carbon neutrality, separate waste collection, energy savings, water consumption, etc.).	PERIODIC INFORMATION CAMPAIGN (same goal each year)	IN PROGRESS
WELCOME KIT	Improvement in communications on environmental and energy matters.	Creation of a specific "welcome kit" for new hires, composed of a manual dedicated to Company environmental and energy initiatives.	PERIODIC RENEWAL	IN PROGRESS Delivered periodically to new hires.
EVENTS AT LAMBORGHINI PARK	Raising awareness among employees, their families and the community at large on environmental matters.	Organization of sustainability-themed events at Lamborghini Park.	ANNUAL SCHEDULING	PERIODIC RENEWAL
ENVIRONMENT/ SAFETY/ENERGY EDUCATION	Awareness of correct management of environmental aspects in the company and improvement goals.	Development of e-learning platform with training on environmental topics. Delivery of training.	UPDATED Dec-21	POSTPONED
COMPANY CARPOOLING SERVICE	Company Carpooling service App.	Implementation of a company carpooling service which allows employees to share their commutes in a convenient and flexible manner. The service will also allow CO_2 reductions to be measured. Encourage its use with fuel coupons.	PERIODIC RENEWAL	IN PROGRESS

Title	Goal/ Result	Actions	Time frames	Status
SUSTAINABILITY-THEMED EDUCATIONAL PROGRAMS	Educating the new generations and reporting scientific research and company projects on environmental sustainability.	Creation of Museum/Park educational programs targeting elementary and middle schools. For further information, or to book a tour, write to: visit@lamborghini.com.	Dec-18	COMPLETED (Periodic renewal) Project currently suspended due to COVID-19.
"ENVIRONMENT" SECTION ON LIFE INTRANET PORTAL	Creation of a section entirely dedicated to the environment in the Life intranet portal.	Preparation of content and documents. Creation of the web page.	COMPLETED Jan-21	IN PROGRESS
ENVIRONMENTAL EDUCATION FOR TOP MANAGEMENT	Participation in "The Climate Reality Project".	Participation in the "The Climate Reality Project" education program. Internal communication on the project. Education on the theme of climate change for Lamborghini's top management and employees. Preparation of a compulsory training program for top management on environmental sustainability.	UPDATED Dec-21	IN PROGRESS
ELECTRIC VEHICLE CHARGING STATIONS	Provision of free electric vehicle charging infrastructure for employees in order to encourage electric vehicle use. Reduction of traffic-related CO_2 emissions and noise.	Installation of new electric vehicle charging infrastructure in the employee parking lots.	Dec-22	IN PROGRESS
"PLASTIC FREE" PROJECT	Awareness-raising among employees on the topic of plastic packaging production. Reduction of plastic packaging by up to 3.5 tonnes.	Use of paper and fully biodegradable organic materials instead of plastic for glasses and cutlery bags, and unpackaged bread. Free water bottle for employees to replace disposable plastic bottles.	Jan-20	COMPLETED (Periodic renewal) Currently suspended due to COVID-19.

Title	Goal/ Result	Actions	Time frames	Status
SUPPORT FOR THE UNITED NATIONS' SUSTAINABLE DEVELOPMENT GOALS	Support for the 2030 Agenda for Sustainable Development. To encourage dialog with the interested parties on Company sustainability projects.	Declaration of support for the United Nations' Sustainable Development Goals published on the company website.	Oct-20	NEW GOAL COMPLETED (Periodic renewal)
SUSTAINABILITY TASK FORCE	To encourage dialog with the interested parties on Company sustainability projects.	Creation of a corporate Sustainability Task Force. Definition of an internal/external communications campaign on environmental sustainability aspects. Survey of the interested parties, external and internal (employees), on sustainability.	Dec-20	NEW GOAL IN PROGRESS

3.2 Biodiversity

LAMBORGHINI PARK

Over the last 50 years, the use of fossil fuels for energy, deforestation and intensive agriculture have led to a rapid increase in the concentration of CO_2, with an increase in the planet's average temperature and significant repercussions for the global climate. There are various strategies which could be put into play: reducing energy consumption by modifying our behavior, developing more energy-efficient technologies, increasing the production and use of renewable energy sources, capturing and storing carbon in the oceans and terrestrial ecosystems by adopting more conservative farming practices, and reforesting farmland or marginal areas.

Oak Forest, the Automobili Lamborghini biodiversity project, fits perfectly into this context. In 2011, the company launched "Lamborghini Park", an initiative developed in collaboration with the Sant'Agata Bolognese community and the universities of Bologna, Bolzano and Munich. The project called for the planting of young oak trees (*Quercus robur*) in an area covering about 17 acres according to a planting pattern replicated in various European countries (Germany, Poland, Belgium, Hungary). Its goal is to better understand the relationships between tree density, forestry productivity and the ability to absorb CO_2 emissions and maintain biodiversity according to the climate.

The soil sampling and analysis that will be performed in the park over the coming years will enable an assessment of the increase in soil carbon content on the basis of planting density. The research on the Sant'Agata Bolognese park will therefore contribute to providing precious information on the carbon dynamics of natural woods and indications on how to maximize accumulation in reforested areas and planted, managed woods.

After 8 seasons, the initial results are available, and are already of some, albeit preliminary, interest. Considering the Nelder ring plants on their own, about 6.3 tonnes of carbon had been accumulated by the end of the 2019 growing season, with additional carbon accumulated in the soil that will be further analyzed, and which initial estimates suggest is about 25 tonnes.

Along with the large area dedicated to the Oak Forest research project, the Biodiversity Area was created in 2011, a green space with an educational-informational mission and divided into various areas. In the first area, a sort of botanical garden was created, composed of an arboretum, featuring the main tree species typical of the Po valley planted in small groups, and a shrub zone comprising woody bush-like species. The aim was to establish a collection of tree and shrub species for educational use that would be clear and functional.

The other area represents ways in which single species growing in the arboretum and in the shrub zone are organized and constitute well-defined environments, such as the hygrophilous wood (which is found on very wet soils), the mesophilic wood (present on drier ground), hedgerows, and planted tree rows. In this area, other habitats can be observed, such as the polyphite meadow (formed by many herbaceous species), the marshy wetland, the stagnant wetland, as well as the different phases of vegetation left to evolve freely. In addition, specific ecological niches have been reconstructed, such as the woodshed, the stone

field, and the dry-stone wall, important for the role they play as a refuge for small wildlife. Additionally, a portion of the area was used for planting a variety of fruit trees typical of the Po valley, which are cultivated naturally without the use of pesticides.

As demonstration of the Company's ongoing commitment to the health of its people, Lamborghini Park was renovated in 2019 with new equipment for wellbeing and leisure activities. A 950-meter long trail was built in the park and includes 8 exercise stations and a fitness area. All products are made from FSC-certified timber. The Forest Stewardship Council (FSC) is an international non-governmental, non-profit organization with the goal of promoting responsible management of forests and plantations around the world. Furthermore, the CO_2 emissions created by the manufacture of the equipment were offset by the purchase of Green Certificates which will be used for reforestation of tropical areas.

For this project, Lamborghini entered into a 15-year land lease agreement in December 2010, renewable up to 75 years.

For some years now, fitness courses have also been organized in the green setting of Lamborghini Park, open to all employees.

Biodiversity Area
FOR EDUCATIONAL ACTIVITIES

Fitness trail

ENVIRONMENTAL BIO-MONITORING

In April 2016, Automobili Lamborghini decided to enrich its park with an apiary in order to begin environmental bio-monitoring involving bees. Bees play a key role in maintaining ecosystems since 80% of plants depend on pollination by insects and about a third of fruit and vegetables depend on pollination from bees. Bees represent a model for sustainability because they use flowers to extract energy and food, but plants receive an energy investment in return in the form of pollination. Flowers are widespread distributors of energy, bees are flying means of transportation and the hive is a processing and storage center in the form of honey. The ecosystems remain in balance because the bees ensure reproduction for the plants.

12 beehives
FOR ENVIRONMENTAL BIO-MONITORING

The Automobili Lamborghini environmental bio-monitoring station comprises 3 of the 12 bee hives that are used for the production of certified Lamborghini-brand honey that is distributed every year to the company's employees. The 3-kilometer average foraging radius around the apiary also covers the plant and the entire village of Sant'Agata Bolognese.

Beehive components (honey, wax, forager bees and dead bees collected in special cages placed under the beehives) were analyzed to detect a wide range of environmental pollutants: heavy metals, polycyclic aromatic hydrocarbons, dioxins, and furans as well as insecticides, acaricides, fungicides and herbicides (overall, more than 190 active ingredients) used in farming and urban or private green spaces. In 2019, analyses to detect glyphosate and antibiotics were introduced and a pilot project that uses mason bees (solitary bees belonging to the *Osmia cornuta* and *Osmia rufa* species) was set up alongside the tried and tested environmental monitoring system with bees. The components used were pollen, collected for food, and mud, used to build the nests.

ANALYSIS OF THE ENVIRONMENTAL POLLUTION WITHIN A RADIUS OF
3 km

The analyses conducted in 2020 highlighted the presence in the environment of pollutants of particular concern, such as various compounds belonging to the dioxins and furans group, found in all 3 wax samples envisaged for these compounds in April, June and September. In July, a sample of honey exceeded the detection threshold for certain polycyclic aromatic hydrocarbons. No sample exceeded the detection thresholds for antibiotics (tetracycline, sulfonamide, tylosin), insecticides, fungicides or herbicides, including glyphosate, which had been found in 2019. The heavy metals tested for were within the average values for honeys, as were anions (nitrates, chlorides and sulfates).

Since the apiary's honey production is intended for employees, a botanic identification and a chemical, physical and organoleptic analysis were performed on the honeys collected during the season. They were identified as Dandelion, Wildflower, Alfalfa and Lime Tree. A complete analysis was performed on each type of honey for the presence of pollutants (pesticides, antibiotics, heavy metals, anions). None of the pollutants tested for were found in concentrations above the threshold level, so that Lamborghini honey can be considered to be high quality and safe.

CONTRIBUTION TO RESEARCH ON CLIMATE CHANGE AND THE SURVIVAL OF **bees**

Bio-monitoring results not only showed that the pollutants, not originating from Lamborghini, were below any threshold for harm in terms of health or honey consumption, but also the great value of wide-ranging and continuous monitoring of pollutants through bees, though it is still difficult to pinpoint the origin of any pollutant detected.

Looking on the bright side, even though the surrounding environment features a limited number of natural areas (with the exception of the oak wood), the predominant presence of extensive crops subjected to limited amounts of chemicals limits damage to the bees and the accumulation of residues in the honey.

In 2020, the existing beehive was joined by a newly developed high-tech beehive as part of the We4Bee bee protection program promoted by the Audi Foundation. The new beehive will correlate bee activity to environmental parameters, giving an important contribution for assessing the impact of climate change on bee activity and survival. Launch is expected during 2021.

3.3 Other environmental aspects linked to vehicle life cycle

PROCUREMENT OF MATERIALS

Reusable packaging for procurement of vehicle components

As part of a drive for increased environmental sustainability, the Logistics Engineering project aims to extend to virtually all suppliers the use of standard VW Group containers or "special" Lamborghini containers for the procurement of vehicle components and materials. These special containers, also known as multi-use containers, are completely reusable, unlike mono-use cardboard containers.

In the event that "special containers" are developed, all aspects relating to the quality/integrity of components, stacking, transportability, respecting stocking factors during transport and warehousing, and safety during use are analyzed. These containers are designed and guaranteed for the entire vehicle life cycle and, where component characteristics permit it (light parts, not excessively large), the use of "green" materials is favored, for instance PPE, which is 100% recyclable.

Currently, 95% of vehicle components for all 3 models now being produced are supplied in completely reusable standard or special containers across the entire product life cycle. The remaining 5% of components (around 100 parts from a total of 2,100) come from more difficult-to-reach and distant suppliers (typically outside the EU), and for this reason they are shipped in cardboard boxes. We will continue to pursue this target in the years to come.

Transport: Green Logistics

Green Logistics is the study of how the transport, storage and handling of materials across the entire supply chain impacts the environment, with the aim of identifying possible opportunities for improvement.

In 2019, a project was approved that envisages the transport of Urus body shells via intermodal rail rather than road, resulting in reduced traffic and CO_2 emissions (-1,903 t/year). The project will launch in January 2021.

Over the next few years, additional potential projects will be assessed in synergy with the Audi–VW Group, such as: increased use of the rail network for the procurement of vehicle components, and the use of electric or biomethane vehicles for road transport.

Moreover, possible criteria for appointing suppliers based on CO_2 emissions from transport will be evaluated.

The updated **ISO 14064:2018** standard, specifying the quantifying and reporting of greenhouse gas (GHG) emissions, and the VW-AUDI Group's commitment to a decarbonization strategy throughout the entire product life cycle, will enable further improvements in transport in the coming years: CO_2 emissions monitoring will be developed and new projects defined aimed at reducing GHG emissions.

SUPPLIER SUSTAINABILITY

In November 2019, Lamborghini introduced a global sustainability rating, or "S-rating", for its suppliers, with the aim of assessing the sustainability conduct of its business partners in the supply chain in terms of the risks related to human rights, environmental protection and corruption. The rating baseline includes two flows: first, the environmental and social flow, and second, legal compliance.

Under the Sustainability Rating scheme, suppliers are required to submit a self-assessment of their sustainability conduct based on the questionnaire and documents provided. The data and documents are audited by qualified third-party bodies; if doubts arise, an on-site audit must be carried out. Suppliers with a negative rating are excluded from contract awards.

In terms of environmental sustainability, suppliers are requested to provide information about any existing certified Environmental Management System, actions to prevent environmental damage, reduced resource consumption and GHG emissions, and waste reduction.

This rating has become a binding criteria in the Group for awarding contracts to suppliers. Sustainability will thus have the same weight as other important criteria in the contract awarding process.

Sustainability rating
FOR THE SELECTION OF SUPPLIERS

4 REGULATORY COMPLIANCE

To make sure its activities meet the current regulatory framework, Automobili Lamborghini inquires into potentially applicable environmental legislation and assesses any obligations thereof and ways to comply. Compliance with legislative obligations is assessed in-house according to the intervals and methods laid down in the Environmental Management System.

ATMOSPHERIC EMISSIONS

At the end of 2019, owing to changes to some already authorized emissions, to the introduction of new emissions and to the need to alter the Paintshop layout, a request was submitted for an alteration to the Single Environmental Authorization DET-AMB-2019-3186 of 03/07/2019. The new authorization was issued by executive resolution DET-AMB-2020-5382 of 11/10/2020, which annuls the previous aforementioned authorization and redefines certain requirements regarding the Paintshop; the latter's emissions must be implemented by October 31, 2021. The new authorization redefined instrumentation characteristics, the management approach and the data collection and processing system of the continuous monitoring system (CMS). The latter was installed on the painting emissions reduction system, consisting of an afterburner, to measure capacity, temperature and volatile organic compounds released. The CMS has been installed and is being tuned. As the authorization stipulates, analyses are conducted periodically (annually or six-monthly) in order to check emission pollutant levels are within the accepted parameters. Analysis results are recorded in the electronic register of atmospheric emissions. All checks demonstrate compliance with authorized limits.

USE OF PUBLIC UNDERGROUND WATER

USE OF
underground water
FOR INDUSTRIAL PROCESS

Automobili Lamborghini has a public underground water-use concession issued by ARPAE (Regional Agency for Prevention, Environment and Energy) for industrial, hygienic and similar uses, for the fire-prevention system and for irrigation of the Company's green areas: it was released with DET-AMB-2016-2918 dated 8/21/2016 (unified procedure code MO01A0253), which expires 12/31/2025.

THE concession in force was amended with a non-substantial amendment issued with DET-AMB-2019-3875 of 8/20/2019. The fee is due and paid annually as per Emilia Romagna regional law no. 2 of April 30, 2015. Underground water is withdrawn via four wells, on which devices have been installed to measure the volume of water withdrawal. Having exceeded the maximum annual limits stipulated by the concession, Automobili Lamborghini opened a discussion with the competent bodies to identify potential consumption reduction measures and, at the same time, to asses whether submitting a request to substantially raise said limits would be environmentally compatible. As indicated by decision (UE) 2019/62 regarding environmental management best practices for the automotive construction sector, the Company is working to improve its performance regarding water consumption. Water saving solutions already in place include processes featuring highly efficient water use as well as the recovery of water used. In 2020, further water recovery and reuse projects were realized, expected to significantly reduce consumption during 2021.

WASTE MANAGEMENT

Separated waste collection

Separated waste collection takes place in an area specifically organized for temporary storage.

Waste from the Company restaurant and refreshment areas, comparable to domestic waste, is collected by the Sant'Agata Bolognese municipal refuse collector, as per current legislation. Special waste, from manufacturing, is collected by carriers enrolled in the national register of environmental companies and accompanied by the relevant identification form during transport to the authorized destination plant, as laid down by current law. All special waste generated and sent for recovery or disposal is entered into the loading/unloading register, as and with a frequency stipulated by applicable regulations. Each year such data is sent online to the competent Chamber of Commerce via the Modello Unico di Dichiarazione (single statement form).

FLUORINATED GREENHOUSE GASES

Regular checks

There are numerous air conditioning and cooling systems within the facility that contain fluorinated greenhouse gases, which, being climate-altering, could have an impact on the environment if released into the atmosphere. The systems are subject to a specific monitoring regime compliant with European Regulation no. 517/2014 on fluorinated gases. Performing these periodic checks (outsourced to accredited suppliers) allows any leaks to be found and any losses to be limited: despite such checks, faults, and consequent gas leaks, can nevertheless occur. The outcomes of checks are recorded and all actions specified by applicable legislation are performed.

WASTE WATER

The production site has a separate internal sewer system for water discharged by the production process, for rainwater runoff, and for the various drainage systems used by personnel. The types of waste water produced at the factory are:

- domestic-type waste water from bathrooms, which flows into the public sewer;
- industrial waste water generated by the production process and by utility systems serving the production process, which flow into the public sewer at the single discharge point SFR_IND_N01, subject to processing in the treatment plant;
- rainwater runoff from parking lots and outside areas coming from the stormwater tank, converted to surface water.

All above mentioned discharges are permitted as per the Single Environmental Authorization, issued by executive resolution DET-AMB-2020-5382 of 11/10/2020. All requirements specified in the authorization are complied with. Compliance with the pollutant concentration limits in industrial waste water discharges is monitored via regular analyses, conducted by an external specialist laboratory.

All checks highlight compliance with the specified limits. The OOCC branch site currently only comprises bathrooms, and so regular analyses of its discharges are not required. In 2020, following planned modifications, a request for a Single Environmental Authorization was submitted for the discharges from the OOCC.

NOISE

Noise measurements

(LIMITS ESTABLISHED BY THE ITALIAN PRIME MINISTER'S DECREE DATED 3/1/1991)

The municipal noise classification system is still pending approval by the Sant'Agata Bolognese Town Council. In the absence of such classification, the limits established by Italian Prime Ministerial Decree dated 3/1/1991 apply. All measurements of external noise are made by a qualified acoustical engineer, as required by law. Regular measurements are not required, but preliminary acoustic impact assessments are envisaged in the event that projects are realized that could affect external noise levels. As specified by the Single Environmental Authorization DET-AMB-2020-5382 of 11/10/2020, in 2021, once the Paintshop is operational, an acoustic impact assessment will be conducted to check compliance with set limits and, if exceeded, mitigation measures will be organized. This assessment, initially scheduled for 2020, was not conducted as the setting up of the Paintshop was postponed.

ENERGY

Heating systems

Automobili Lamborghini periodically assesses its heating systems for compliance with laws and regulations. More specifically, the aspects subject to review are the following:

- system handbooks;
- scheduled and special maintenance;
- declaration of conformity;
- atmospheric emissions of the systems;
- energy efficiency checks;
- project report in the event of changes to the existing heating systems or construction of new ones.

Changes to existing buildings or construction of new buildings

In case of changes to buildings inside the facility or construction of new structures, Automobili Lamborghini sees to the preparation of the following documentation through accredited bodies or experts to certify the energy characteristics of the buildings:

- APE (Energy Performance Certificate);
- AQE (Energy Qualification Certificate).

Rational use of energy

(OBLIGATION TO APPOINT AN ENERGY MANAGER - 10,000 TOE)

Rational use of energy

The energy consumed by Automobili Lamborghini in 2019 and 2020 was in excess of 10,000 tonnes of oil equivalent. As a result, the Company will, by April 30, 2021, notify the Ministry of Industry, Commerce and Crafts of the name of its Energy Manager (in charge of the conservation and rational use of energy), as laid down by Article 19 of Italian Law 10/91, as amended. The ministry also received such notification in 2020.

Each year, Automobili Lamborghini has notified ENEA (the Italian National Agency for New Technologies, Energy and Sustainable Economic Development) of the reporting of its savings, as per subsection 8 art. 7 of Italian Legislative Decree 102/2014, achieved through the implementation of energy saving measures, including any organizational measures.

The reporting of savings achieved is communicated annually.

Trigeneration plants

Automobili Lamborghini has two trigeneration plants (1.2 MW each). These plants achieved the balance-based High Efficiency Cogeneration (HEC) qualification after passing the necessary audit by the GSE, Italy's energy services operator.

As such, the plants are entitled to state incentives under the "White Certificates" scheme.

White certificates can be traded after their issuance each year based on the actual productivity of the plants. This can be done either via the White Certificates market (via registration of Automobili Lamborghini S.p.A. to the online platform of GME – Italy's power market operator) or through bilateral contracts with third-party buyers (brokers or subjects required to buy), or by selling them to the GSE at the rate fixed for the entire incentive period.

Trigeneration plants and purchases from the grid: fiscal compliance

Automobili Lamborghini notifies the Customs Agency of its consumption in relation to the electric energy production plants with the purpose of complying with the provisions of the Italian Excise Duties Act 504/95, as amended, for payment of the required duties and license fees as a producer of electric energy. To ensure the reliability of the consumption data notified, Automobili Lamborghini has its production meters calibrated by certified bodies on a regular basis.

Fire prevention

FIRE SAFETY MANAGEMENT

Automobili Lamborghini S.p.A. is holder of the following Fire Prevention documents:

- CPI (Fire Prevention Certificate) document no. 4151, for which a renewal application was made on 11/15/2018 (ref. no. 28583), valid upon renewal until 11/05/2023 (Via Modena 12) for the "Vehicle construction plant" identified at no. 52.2.C of Appendix I to Italian Presidential Decree 151/2011, and another 66 activities included in the same appendix. During 2020, an update to the corporate CPI was requested following numerous modifications, and is still awaiting issue by the fire department;
- CPI document no. 74521 valid upon renewal until 4/28/2022 (OOCC) for the plant producing experimental composites, known as "OOCC" identified in no. 1.1.C of Appendix I to Italian Presidential Decree 151/2011;
- CPI document no. 72715 valid upon renewal until 2/26/2023 (CFK) for the plant producing body shells in composite material, known as "CFK", identified in no. 44.3.C and 74.3.C of Appendix I to Italian Presidential Decree 151/2011. This CPI is jointly held with the company SCHNELLECKE ITALIA S.r.l., which is headquartered at the same plant.

The Emergency and Evacuation Plan is updated annually and the evacuation plans are posted in all buildings indicating exit routes and fire-fighting facilities. The Emergency Plan includes:

- the emergency management structure;
- procedures for the activation of the alarm and the emission of the evacuation signal in case of fire or earthquake;
- the names of fire-prevention staff;
- the plan of the assembly points.

The Company site is divided into 19 emergency zones; this zoning facilitates emergency management in case of fire in successive stages or for single zones. The Company periodically provides training to all personnel to make them aware of emergency procedures. Evacuation drills are carried out periodically, by emergency area (building or section).

The following fire detection systems are installed: fire extinguishers, hydrants, automatic fire suppression systems. In addition, since 2016, two technicians are always present who are experts in the maintenance of fire-fighting systems and for emergency response in case of danger. The technicians are responsible for managing the maintenance and periodic checks of all the equipment as per the relevant legislation.

In 2019, this was extended to the night-time period between 10:00 PM and 6:00 AM in order to achieve 24-hour service. With the introduction of the painting phase into the production cycle, there was, in fact, a further increase in the fire load due to the storage and use of flammable substances.

New station

FOR THE PLANT'S FIRE CREW

The new station for the plant's firefighters has been operational since 2019, including an emergency control room equipped with monitors for supervising

fire and security alarms, and a meeting room for the crisis team which will be used to coordinate the emergency plan.

GIVEN THE ABOVE, IT CAN BE STATED THAT

Automobili Lamborghini is in compliance with the requirements

OF THE ENVIRONMENTAL AND ENERGY REGULATIONS IT HAS DECIDED TO APPLY

5 VALIDATION OF THE ENVIRONMENTAL STATEMENT

VALIDATION OF THE ENVIRONMENTAL STATEMENT

The following Accredited Environmental Verifier certified the authenticity of this Environmental Statement and its compliance with the requirements of EC Regulation no. 1221/2009, amended by Commission Regulation (EU) 2018/2026:

DNV - GL Business Assurance Italia S.r.l.

Via Energy Park 14 - 20871 Vimercate (Monza Brianza), ITALY

Accreditation No.: IT-V-0003

Date of accreditation: 04/19/1999

EMAS registration number for Automobili Lamborghini S.p.A.: IT-001144

Date of validation of this document: 4/2/2021

The Environmental Statement for the Headquarters of Automobili Lamborghini is available in digital format on the company website at: https://www.lamborghini.com/it-en.

This document is drafted every three years; data regarding the main environmental aspects and results achieved are updated every year. The next edition is expected in March 2022.

automobili Lamborghini

Ethic Code

Annex «A» of the Organizational Model pursuant to the D. Lgs. No. 231/01

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1 Foreword by the Board of Management of Volkswagen AG

Dear colleagues,

The trust of customers and stakeholders in our Company and its products is our most valuable asset. We can only strengthen public trust and protect the Volkswagen Group, its employees and our environment by conducting ourselves with integrity and honesty. That includes being familiar with the applicable statutory regulations and internal rules, and complying with them. The Code of Conduct is the basis for our actions.

Our Group is very diverse: today, twelve brands from seven European countries, some 664,000 employees, 123 production sites and customers in over 150 countries are all part of the Group world. Irrespective of the differences between us, our origins, our tasks and our responsibilities, we all share responsibility for our company's success and our contribution to sustainable development through our conduct and our actions.

Our shared values determine how we work, how we make decisions, and how we interact with one another and all living creatures.

The Volkswagen Group Code of Conduct supports ethical and responsible conduct. It contains relevant and practical examples that offer guidance, assistance and advice in our daily work. And it helps us identify mistakes and respond appropriately.

Because in the Volkswagen Group, turning a blind eye can never be the right solution. We speak up – even if doing so is awkward and uncomfortable. When in doubt, we seek competent advice and support.

We, the Volkswagen Group Board of Management, are convinced that our Code of Conduct is one key to the success of our Group and its brands.

We therefore ask you to use the Code of Conduct in your workplace and to seek advice if you are in doubt.

Let us join together to make the Volkswagen Group a responsible employer that is a byword not only for excellent products and services, but also for integrity and fairness.

The Volkswagen Group Board of Management

2 Foreword by the Board of Management of Automobili Lamborghini

Dear Colleagues,

We hereby wish to share with you the guiding principles that inspire our work and that are now further strengthened, through the Code implemented by the Group.

Our updated Ethic Code confirms once again the existence of a set of shared values based on ethics and integrity, that guide the decisions and the daily actions of all of us in Automobili Lamborghini and of those who collaborate with us. These values not only contribute to enrich our identity, but they also guide our behavior in relationships with third parties and towards the community in which we operate, regardless of the role that each of us cover.

The values guide us in achieving business goals, while maintaining the respect, responsibility, integrity, legality and trust that, together with the passion for research and innovation, are the inspirational principles of our behaviour. In the new version of the Ethic Code, the topics related to our daily life have been contextualized through practical examples, thus offering concrete answers to any possible uncertainties.

This renewed tool will strengthen our sensitivity towards the environment in which we operate, supporting us in our choices and encouraging the involvement of experienced colleagues in the most difficult situations, in order to continue pursuing an ethical and sustainable business.

For all these reasons, the Ethic Code represents a tool that, in addition to providing operational guidelines, strengthens the organization and gives continuity to the adopted approach. Acting according to the rules is not a limit but an opportunity.

The new Code represents integration and completion of our Organizational Model implemented pursuant to Legislative Decree 231/2001 and, any act, procedure or rule adopted to ensure the application of the latter. It intends to promote or preclude certain behaviors, although not expressly regulated in the regulatory framework, establishing ethical principles and rules of conduct relevant for the purpose of reasonable prevention of offenses in the Company's interest or benefit.

Since it is not possible to include into the Code the countless situations that characterize the complexity of our daily life, constant use of wisdom is necessary.

As Managing Directors and Chief Officers of Automobili Lamborghini, it is our responsibility to ensure that the Ethic Code is shared and will continue to be an integral part of your everyday business. The Company's future depends on the initiative of each of us, on our desire to get involved and on our ideas.

With our actions, in fact, we are all crucial part of the Company's business, in order to safeguard its reputation and trust in every situation.

Stefano Domenicali
Chairman & Chief Executive Officer

Paolo Poma
Chief Financial Officer

Maurizio Reggiani
Chief Technical Officer

Ranieri Niccoli
Chief Manufacturing Officer

Giovanni Perosino
Chief Commercial Officer

Katia Bassi
Chief Marketing & Communication Officer

Federico Foschini
Chief Procurement Officer

Umberto Tossini
Chief Human Capital Officer

3 Our responsibility for compliance

One decisive factor for the success of our Company is that all employees – from Board of Directors members, Chief Officers, managers and each employee as well as all those who act in the interest of Automobili Lamborghini that we define as «Recipients[1]» – must act with honesty and integrity and in an ethical manner. The latter, in fact, are committed to respect and enforce the principles of the Ethic Code (hereinafter «the Code»), according to their functions and responsibilities, relationships with individuals, Companies, public and private institutions in Italy and abroad.

This also means that our internal and external reporting and communications must be truthful, comprehensive and timely.

Our shared goal is to fulfill our responsibility to our Company and to protect the reputation of our brand. Sustainability requires of us an awareness of our responsibility for the economic, social and ecological impact of our actions. Such conduct also means that we all respect and observe the rules in force in the Company everywhere and at all times.

[1] All individuals working in the interest of Automobili Lamborghini, either inside either outside the Company, without distinction or exception, that means beyond the employees and external collaborators who work in the interest and for the benefit of the Company, such as business partners, licensees, distributors, suppliers and all those who may represent it.

Our Board members and managers bear a special responsibility in this context: they are role models and must prevent non-compliant behavior within the Company, protect their employees and conduct themselves with integrity both within the Company and externally.

The Ethic Code helps us by highlighting potential areas of risk and conflict, explaining their significance for our Company and illustrating them using examples. The information contained in this Code is divided into three main sections:

- **Our responsibility as a member of society**
- **Our responsibility as a business partner**
- **Our responsibility in the workplace**.

The Ethic Code serves as a binding guideline in our day-to-day business. It is supplemented by internal guidelines and provisions in employment contracts. It also goes without saying that we all comply with the national and international statutory provisions. This also means that we never take any part in any activity that involves fraud, misappropriation, extortion, theft, embezzlement or any other deliberate damage to the assets of our customers or any third party.

Failure to observe the Ethic Code can result in considerable damage, not only to our Company, but also to us as employees and to our business partners and other stakeholders.

That is why the Ethic Code is binding on all of us, irrespective of whether our role is that of a staff member, a Manager or a Board member. We do not tolerate violations of the Ethic Code.

Anyone who violates the Ethic Code must expect consequences, which, depending on the seriousness of the violation and the type of contractual relationship, could foresee the application of the most appropriate disciplinary measures or contractual sanctions to the offenders of the disciplined conduct, in compliance with the applicable law and the National Collective Agreement in case of employees or of a contract stipulated with a third party, in any case independently from the eventual criminal relevance of the undertaken behaviours and/or from the establishment of a criminal proceeding, in case a criminal offense is committed. To make sure that does not happen, it is up to each and every one of us to familiarize ourselves with this Ethic Code, to integrate it into our own behavior, and to bear the Ethic Code in mind when making decisions. When in doubt, we seek competent advice to the contact points, without prejudice to notifying the Independent Body.

Furthermore, the Ethic Code is an essential and constitutive part of the Organizational Model adopted by Automobili Lamborghini pursuant to the Legislative Decree No 8 June 2001 n. 231 («Decree») in order to avoid and prevent the commission of offenses that imply the administrative liability of the entities.

4 Our responsibility as a member of society

Our social responsibility means that observing and complying with the law is a matter of course. We have a duty to observe the law under which we operate in all business decisions we make.

Every Automobili Lamborghini employee must be aware of his/her social responsibility, particularly as regards the wellbeing of people and the environment, and ensure that our Company contributes to sustainable development.

Automobili Lamborghini's responsibility as a member of society specifically gives rise to the following principles:

Human rights

BACKGROUND

The Declaration of Human Rights adopted by the United Nations and the European Convention for the Protection of Human Rights and Fundamental Freedoms state what is required and expected of the international community when it comes to observing and respecting human rights.

CORPORATE PRINCIPLE

We respect, protect and promote all regulations in force to protect human rights and children's rights (hereinafter called human rights) as a fundamental and general requirement throughout the world. We reject all use of child labor and forced or compulsory labor as well as all forms of modern slavery and human trafficking. This applies not only to cooperation within our Company but also as a matter of course to the conduct of and toward business partners.

MY CONTRIBUTION

As an employee, I can also make my contribution to respecting human rights. I regard human rights as a fundamental guideline and I am vigilant against human rights abuse happening around me.
If I have concerns regarding human rights abuse in my professional surroundings, I prevent it and/or stop it. If necessary, I inform my superior or get in touch with any of the contacts listed in chapter 7.

EXAMPLE

You are responsible for purchasing specific goods. You receive information that a supplier with which you do business uses children in their production process, or that employees are made to work in inhumane conditions (e.g. exposed to health risks). Take the necessary steps and inform your superior and the units responsible for sustainability in supplier relations.

Our Company must examine business relations with this business partner more closely and, if necessary, break them off.

Equal opportunity and equal treatment

BACKGROUND

Equal opportunities and equal treatment are key cornerstones of a fair, unprejudiced and open approach. Automobili Lamborghini encourages respectful cooperation in a spirit of partnership, diversity and tolerance. That is how we achieve a maximum degree of productivity, competitive and innovative capability, creativity and efficiency.

CORPORATE PRINCIPLE

We offer equal opportunities for everyone. We do not discriminate or tolerate discrimination on grounds of ethnic or national origin, sex, religion, views, age, disability, sexual orientation, skin color, political views, social background or any other characteristics protected by law. We embrace diversity, actively encourage inclusion and create an environment that fosters each employee's individuality in the interests of the Company. As a matter of principle, our employees are chosen, hired and supported based on their qualifications and skills.

MY CONTRIBUTION

I observe the principles of equal opportunity and equal treatment and encourage people around me to do the same.
If I see any contravention of the principles of equal opportunity and equal treatment (disadvantagement, harassment or mobbing), I make the persons involved aware of their misconduct. If I am not in a position to influence the events directly, I notify the Human Resources & Organization of the incident or get in touch with any of the contacts listed in chapter 7.

EXAMPLE

You find out from a colleague who is a friend of yours that an applicant in his department was rejected because of the color of his skin, although he was the best candidate for the advertised job.

Help clarify the situation by reporting the case to the relevant Human Resources & Organization so that appropriate steps can be taken.

Product conformity and product safety

BACKGROUND

Countless people come into contact with our products and services on a daily basis. Our Company bears a responsibility for preventing, to the extent possible, any risks, detrimental effects and hazards to the health, safety, environment and assets of our customers or any third party arising from the handling and use of these products and services.

CORPORATE PRINCIPLE

For that reason, it is not only our statutory duty but also our mission to comply with the laws and regulations as well as the internal standards that apply to our products. Our products are state of the art and are developed in accordance with legal requirements. This is monitored continually and systematically through processes and structures, as well as through product surveillance under real field conditions. We make no compromises on that. We ensure that suitable measures can be taken in good time in the event of any discrepancies.

MY CONTRIBUTION

If I notice or have concerns that our products could present a threat or that regulations are not being observed, I take counteraction.

I report the matter to my superior and to the relevant contacts in the Company, for example I address to the APS Committee.

EXAMPLE

A customer reports technical problems with a vehicle to you. You are not sure whether or not they are due to a mistake on the customer's part when operating the product, and you cannot definitively rule out a manufacturing or construction defect.

Clarify the matter. It is essential to ensure that our Company will solve a problem for which it is responsible. Even customer mistakes when operating the product may require the Company to respond (e.g. by modifying operating instructions or user training).

Environmental protection

BACKGROUND

Automobili Lamborghini develops, produces and distributes vehicles and services worldwide. Our Company's mission is to be a global provider of sustainable and individual mobility. In pursuing this mission, the Company is aware of its special responsibility toward the environment.

CORPORATE PRINCIPLE

As a commercial enterprise, we bear responsibility for the environmental compatibility and sustainability of our products, locations and services. We focus on environmentally friendly, advanced and efficient technologies, which we implement throughout the entire lifecycle of our products, in respect to the own peculiarities. Starting with the early phases of development and production, we make sure we manage natural resources carefully and steadily reduce the environmental impact to comply with environmental protection laws and regulations.

Furthermore, we constantly reassess the environmental compatibility of products and manufacturing processes, optimizing these where necessary. We are a responsible member of society and a partner for politics. We seek a dialog with these players on future mobility concepts and on shaping ecologically sustainable development.

MY CONTRIBUTION

I bear environmental protection in mind in my work and use resources and energy economically and efficiently. I make sure my activities have the smallest possible impact on the environment and that they comply with applicable environmental protection laws and regulations.

EXAMPLE

You notice that there is a leak in a tank and that significant amounts of chemicals are seeping into the ground. Immediately inform one of the employees responsible and draw attention to the problem.

Do not rely on somebody else reporting the leak.

Donations, sponsorships and charity

BACKGROUND

Automobili Lamborghini makes donations (contributions on a voluntary basis with no expectation of a consideration in return) and grants sponsorship monies (contributions based on a contractually agreed consideration) to achieve a positive impact in terms of our reputation and public perception. In order to avoid conflicts of interest and to ensure standard conduct within the Company, donations and sponsorship measures are permitted only in the context of the respective legal framework and in accordance with the applicable internal rules of Automobili Lamborghini and of Volkswagen Group.

CORPORATE PRINCIPLE

We make monetary donations and donations in kind to support science and research, education, charitable causes, sports, culture, churches and ecclesiastical institutions. We grant donations only to recognized non-profit organizations or organizations that are authorized by special provisions to accept donations.

The granting of donations and sponsorship measures is permitted only in accordance with a transparent approval process.

MY CONTRIBUTION

If I consider a particular sponsorship measure to be worthy of support, I make initial contact with the appropriate departments in the Company (e.g. Human Resources & Organization and Marketing).
The granting of donations must be transparent; the purpose, the recipient of the donation, and the donation receipt issued by the recipient must be documented and verifiable. I comply with internal processes and do not initiate any donation that could damage the reputation of our Company.

EXAMPLE

A local politician asks you, a successful Automobili Lamborghini employee, for a cash donation from the Company for the election campaign.

Turn down the request. Donations may be granted only after going through the required approval process. In this specific case, the donation cannot be approved because an internal guideline prohibits donations to political parties, party-affiliated institutions and politicians.

Communication and marketing

BACKGROUND

Automobili Lamborghini believes it is important to communicate clearly and openly with employees, business partners, the shareholder, investors, the media and other stakeholders using honest and lawful means. All our employees bear a responsibility to observe internal communication rules to ensure that we present a unified and consistent image of our Company.

All our employees recognize the achievements of those they engage with and respect their professional and personal reputation.

CORPORATE PRINCIPLE

We ensure that our communication is clear and consistent in order to maintain the confidence of customers, investors and other stakeholders.
Before committing to and executing any planned communication or marketing measures, such measures must first be coordinated with the relevant departments.

MY CONTRIBUTION

I do not issue any public statement for my Company and always refer any requests to the Communication department. If I make any comments at public, trade or cultural events or on the Internet, I make it clear that I am voicing solely my own personal opinion. I consult the Company's social media guidelines for advice on proper conduct in social networks.

EXAMPLE

You read a comment on the Internet from someone who is critical of production methods but the points raised are entirely unfounded.

Even if you would like to correct the misrepresentation straightaway, contact Marketing and/or Communication Organizational Units, that will respond appropriately and comprehensively to such criticism.

Political lobbying

BACKGROUND

Politics and legislation exert an influence on the economic framework for business processes. Automobili Lamborghini's participation in commercial trade means that it also has an impact on society and could specifically promote its interests during decision-making processes, such as those for legislation plans, through political lobbying.

CORPORATE PRINCIPLE

Political lobbying can be conducted exclusively by the Managing Directors and in line with the principles of openness, accountability and responsibility.

It goes without saying that our interaction with political parties and interest groups is based on the principle of neutrality. Dishonestly influencing policymakers and government is not permitted.

MY CONTRIBUTION

I do not attempt to intervene in political decisions on behalf of the Company if I am not authorized to do so.

If I am authorized to do so, I observe the instructions given by the Managing Directors.

EXAMPLE

An acquaintance of yours is a member of parliament. You know that a legislation proposal that is important for Automobili Lamborghini is currently being discussed in parliament and you contemplate contacting your acquaintance to explain the Company's interests in connection with this proposal.

Do not approach your acquaintance about the issue. Political lobbying in the Company is held by the Managing Directors and must be conducted openly and transparently.

5 Our responsibility as a business partner

Integrity, transparency and fairness are key to creating credibility and trust in business practice.

That is why Automobili Lamborghini sets particularly great store by systematically implementing its legal framework, intragroup guidelines and corporate values, and by communicating them clearly. This also includes distributing our products and services exclusively through our authorized distribution partners.

Automobili Lamborghini's responsibility as a business partner specifically gives rise to the following principles:

Conflicts of interest

BACKGROUND

There is a potential conflict of interest if the private interests of one of our employees clash or could clash with the interests of Automobili Lamborghini.

Such a conflict of interest may arise particularly as a result of secondary employment. If an employee places his/her personal interests above those of the Company, it could damage the Company.

CORPORATE PRINCIPLE

We respect the personal interests and the private lives of our colleagues. However, it is important to us to avoid conflicts between private and business interests, or even the appearance of such a conflict.

All our decisions are made exclusively on the basis of objective criteria and we do not allow ourselves to be swayed by personal interests or relations.

MY CONTRIBUTION

I avoid even the appearance of any conflict of interest and disclose any apparent or actual conflicts of interest to the responsible of my department and Human Resources & Organization.

We jointly seek a solution that is not detrimental to the Company's interests.

EXAMPLE

Your boss asks you to review bids from several suppliers of plastic components. You discover that one of the most favorable bids is from the Company of a good friend.

Inform your superior of the situation and withdraw from the decision-making process to avoid any appearance of a conflict of interest.

Gifts, hospitality and invitations

BACKGROUND

Benefits in the form of gifts, hospitality and invitations are prevalent in business relationships. These benefits are not a cause for concern as long as they are within reason and do not contravene any internal or statutory rules.

However, if such benefits exceed what is reasonable and are misused to influence third parties, those involved may be liable to prosecution.

CORPORATE PRINCIPLE

Our internal guidelines on handling gifts, hospitality and invitations set out what benefits are appropriate and what steps must be taken when accepting and granting benefits.

MY CONTRIBUTION

I familiarize myself with the guidelines on handling gifts, hospitality and invitations, and strictly abide by them.

I check my conduct in this regard to see whether there may be any conflicts of interest or whether any could arise.

EXAMPLE

An employee of a supplier gives you a valuable birthday gift. Even if you are of the opinion that accepting this gift does not affect business relationships, the value of the gift should not exceed the value set out in the relevant internal guidelines on gifts. When in doubt, do not accept the gift. If you are concerned that rejecting the gift could be misconstrued, contact your superior and agree on a solution with him/her. When in doubt, the gift should be handed over to the Compliance Officer. The handover of the gift will be documented for your personal protection.

Prohibition of corruption

BACKGROUND

Corruption is a serious problem in commercial trade. It generates decisions based on improper grounds and prevents progress and innovation as well as distorting competition and damaging society.

Corruption is prohibited. It may incur fines for Automobili Lamborghini and sanctions under criminal law for the employees involved.

CORPORATE PRINCIPLE

The quality of products and services from our Company is the key to our success. Consequently, we do not tolerate corruption. We grant benefits to business partners, customers or other external third parties only within the permissible legal framework and in line with existing rules.

MY CONTRIBUTION

I never bribe others and I never accept a bribe, either directly or indirectly.

I take responsibility for informing myself by consulting the internal rules before I give or accept gifts, issue or accept invitations, or offer or receive hospitality.

If I receive any corruption-related tip-offs, I immediately inform one of the contacts listed in chapter 7.

EXAMPLE

You work for Automobili Lamborghini in sales and would like to outstrip this year's revenue target. You prepare a bid for a major contract where a potential customer has issued a call for tender. The relevant decision maker on the customer side offers to influence award of the contract in favor of your Company in return for an appropriate consideration.

This is corrupt behavior. Inform your superior and the appropriate Compliance Officer immediately.

Dealings with officials and holders of political office

BACKGROUND

Dealings with officials or holders of political office, governments, authorities and other public institutions often involve special statutory rules, any individual breach of which may have serious consequences and could permanently bar Automobili Lamborghini from public contract awards.

CORPORATE PRINCIPLE

Our contacts with officials and holders of political office are strictly in line with all laws and legislation as well as the relevant internal rules concerning the avoidance of conflicts of interest and corruption.

We do not make any «facilitation payments». Such payments are sums paid to officials to accelerate routine administration matters.

MY CONTRIBUTION

I am aware that particularly strict rules apply when dealing with public contract awarders and I familiarize myself with these rules.

My contact is my Chief Officer.

EXAMPLE

You know that an authority is planning a call for tender for a major contract. You consider asking the authority's employee responsible for the tender, who you know from a previous project, to design the tender in such a way that Automobili Lamborghini wins the contract.

Do not under any circumstances take any such action. Exerting this kind of influence would be illegal.

Prohibition of money laundering and terrorism financing

BACKGROUND

Laws against money laundering and terrorism financing are in place in almost all countries worldwide. Money laundering occurs when funds or other assets originating directly or indirectly from criminal offenses are put into circulation in the legal economy, making their source appear legal. Terrorism financing occurs when money or other resources is/are made available to commit criminal acts of terrorism or to support terrorist organizations.

Liability for money laundering does not require the person involved to be aware that money is being laundered through the legal transaction concerned or the transfer concerned. Inadvertent involvement in money laundering may already be sufficient grounds for serious penalties for everyone involved.

CORPORATE PRINCIPLE

We carefully check the identity of customers, business partners and other third parties with whom we wish to do business.

It is our declared aim to conduct business solely with reputable partners who operate in line with legal provisions and who use resources from legitimate sources.

We assign incoming payments to the corresponding services without delay and post them accordingly. We ensure transparent and open cash flows.

MY CONTRIBUTION

I take no action whatsoever that may violate money laundering provisions at home or abroad. I am vigilant and investigate any suspicious conduct on the part of customers, business partners and other third parties. If there is information providing sufficient grounds for suspicion, I immediately get in touch with Administration or one of the contacts listed in chapter 7.

I abide by all applicable provisions for recording and posting transactions and contracts within my area of responsibility in the accounting system.

EXAMPLE

One of Automobili Lamborghini's customers has overpaid and asks for the excess amount to be repaid by transferring it to an account held in Switzerland or by paying it in cash instead of via bank transfer to the original business account. Do not accept the suggestion readily. This kind of request requires an explanation. Ask the customer why the amount cannot be repaid in the same way it was originally paid. Seek advice from Administration.

Accounting and financial reporting

BACKGROUND

Automobili Lamborghini can build and retain the trust of the general public, its shareholder and contract partners only through proper accounting and correct financial reporting. Any irregularities may have serious consequences for the Company as well as for those responsible.

CORPORATE PRINCIPLE

We strictly comply with the statutory provisions for proper accounting and financial reporting. Transparency and correctness are our top priorities. To that end, we regularly inform our shareholder and Statutory Auditors Members of our financial position and business developments. We publish our periodic financial statements punctually in accordance with national and international accounting regulations.

MY CONTRIBUTION

I organize processes so that all business financial data can be entered into the accounting system correctly and promptly.

If I have any questions about the correct recording of data, I contact my superior or the appropriate Finance department.

EXAMPLE

You urgently need new equipment. However, the budget in your department for the current fiscal year has already been used up. You consider acquiring the equipment nevertheless and posting the cost in the next fiscal year when your budget is replenished. Refrain from taking such action. Entries must always be posted accurately according to the accounting standard of competence. Posting entries inaccurately may have serious consequences for the Company or individual employee.

Taxes and customs

BACKGROUND

Our global operations and the development of new markets mean that we must comply with a raft of different regulations relating to external trade, tax and customs law. Observing tax and customs regulations builds trust with customers, financial authorities and the general public.

Any irregularities can cause significant financial damage to Automobili Lamborghini and to the Group, also seriously impacting the reputation and having negative consequences for the employees responsible as well.

CORPORATE PRINCIPLE

We are aware of our social responsibility to meet our obligations with regard to taxes and customs, and we explicitly endorse compliance with national and international legislation.

MY CONTRIBUTION

I design internal structures and processes in such a manner as to ensure that the taxes and customs to be paid by Automobili Lamborghini are calculated correctly, promptly and in full, are disclosed in reporting, and are paid to the appropriate fiscal authorities.

If I have information concerning the infringement of tax and customs regulations in my area of responsibility, I undertake every action I can to prevent or stop this infringement. If that is not possible, I get in touch with the appropriate contact person in Finance, in particular I address to Administration and Tax.

EXAMPLE

You are responsible for entering certain business transactions, such as general overheads (maintenance expenses) and production costs, in the statutory financial statements. One project exceeds certain controlling parameters early in the financial year. You therefore receive instructions to make an entry under maintenance expenses even though the transaction unquestionably relates to an investment and must therefore be treated as capitalized production costs.

Post the entry in line with legal requirements. All business transactions must be correctly reported pursuant to the commercial law and tax regulations because these accounting records form the basis for tax returns. Accounting errors could therefore result in incorrect tax returns and lead to serious consequences under tax and customs law for the Company and the employees responsible.

Fair and free competition

BACKGROUND

Fair and free competition is protected by the applicable competition and antitrust legislation. Complying with this legislation ensures that market competition is not distorted – which is to the benefit and in the interest of all market players.

In particular, agreements and concerted practices between competitors intended to achieve or effect the prevention or restriction of free competition are prohibited. Abusing a dominant market position is also inadmissible. Such abuse can, for example, take the form of treating customers differently for no objective reason (discrimination), refusal to supply, imposing unreasonable purchase/selling prices and conditions, or unjustified tie-in arrangements for the requested additional service.

Anti-competitive conduct has the potential not only to significantly damage the Automobili Lamborghini and Group's good reputation, but also to incur severe fines and penalties.

CORPORATE PRINCIPLE

We conduct business solely on the basis of merit and market economy principles, as well as free and unhindered competition. We like to measure ourselves against our competitors, always abiding by rules and regulations and observing ethical principles.

We do not enter into any anti-competitive agreements with competitors, suppliers or customers.

If our Company holds a dominant market position, we do not abuse this position.

We comply with the specific antitrust provisions for distribution systems in our dealings with our authorized distribution partners.

MY CONTRIBUTION

Whenever I come into contact with competitors, I ensure that no information is imparted or received that allows conclusions to be drawn about the informer's current or future business conduct.

I avoid conversations or any other contact with competitors about issues that are important among the competition. Such issues include prices, pricing, business planning, development statuses and delivery times.

EXAMPLE

You talk to a competitor's employee at a trade fair. After a while, you notice you are being sounded out for information about Automobili Lamborghini's future business planning. In return, the employee offers to divulge the same information about his Company.

Immediately make it absolutely clear to the competitor's employee that you will not talk to him about such issues. This type of conversation – apart from the unauthorized disclosure of business secrets – is also a breach of prevailing competition and antitrust legislation and could have drastic consequences for you personally, Automobili Lamborghini, the Group, and both the competitor's employee and his Company. Document this conversation and inform Legal Services and the Compliance Officer immediately.

Procurement

BACKGROUND

Automobili Lamborghini is contractually bound to a large number of suppliers and service providers in its business operations.

CORPORATE PRINCIPLE

We carefully select suppliers and service providers based on objective criteria.

When purchasing products and services, we involve the appropriate Procurement department as laid down in the applicable procurement guidelines.

MY CONTRIBUTION

I show no bias in favor of a supplier or service provider without an objective reason, and I avoid any conflict of interest.

I do not purchase any products or services without first having looked at the market and alternative suppliers.

I follow the relevant procurement principles and involve the appropriate Procurement department at an early stage in the purchasing process.

EXAMPLE

It comes to your attention that a Company's employee would like to commission a supplier without involving the appropriate Procurement department.

Notify one of the contacts listed in chapter 7 or the appropriate Procurement department to ensure that the bid that is most cost-effective for the Company has a chance.

Export control

BACKGROUND

Export control can impose prohibitions, restrictions, approvals from authorities or other monitoring measures on the cross-border exchange of goods.

These provisions under export control legislation apply to technologies and software as well as goods. Apart from exports per se, export controls may also apply to the temporary cross-border transfer of, for instance, objects and technical drawings taken on a business trip, or technical transmissions by e-mail or cloud.

Furthermore, any business with persons or companies named in sanctions lists is strictly prohibited, regardless of the delivery process.

CORPORATE PRINCIPLE

We comply with all provisions for importing and exporting goods, services and information.

MY CONTRIBUTION

When making a decision concerning the import or export of products and services, I consciously examine whether the decision may fall under export control.

When in doubt, I seek advice from Administration that deals with customs operations.

EXAMPLE

You receive an inquiry from a potential customer wishing to place an order with Automobili Lamborghini to supply products in a country that Automobili Lamborghini has listed as an embargoed country.

Clarify the matter by asking to Administration (Import-Export) about export restrictions that apply to the country to be supplied and do not conclude any contracts that bind the Company to export to this country until the issue has been fully clarified.

Prohibition of insider trading

BACKGROUND

Legislation - in Europe, for example, particularly the Directive on Criminal Sanctions for Market Abuse (Market Abuse Directive) - prohibits the use or disclosure of inside information in the trading of shares, other securities or financial instruments. The same applies to recommending or inciting a third party to engage in insider trading and to the unlawful disclosure of inside information. Pertinent national legislation may stipulate further prohibitions. Inside information is information of a precise nature that has not been made public and that, if it were made public, would be likely to have a significant effect on the price of the relevant security (e.g. Group shares) or financial instrument.

CORPORATE PRINCIPLE

We handle information pertaining to share performance relevant to the Group's stock market in accordance with capital market requirements and do not tolerate any insider trading.

We may use knowledge relating to insider-relevant projects and processes only internally in accordance with the applicable intracompany rules and may not divulge such knowledge to any outside party, including family members.

MY CONTRIBUTION

I do not engage in insider trading nor do I make any such recommendations to any third party or incite any third party to engage in insider trading.

Furthermore, I do not divulge inside information unless this is required during the course of my normal work, and I comply with the relevant internal rules. I undertake to familiarize myself with the applicable internal rules.

If I have access to inside information, I do not purchase or sell any securities or financial instruments based on this information.

This applies not only to trading with shares of listed companies belonging to the Group's listed companies or derivatives thereof, but also to trading with securities or financial instruments in general (i.e. also those of suppliers).

EXAMPLE

You learn through your work with Automobili Lamborghini that the acquisition of a new business by the Group is going to be announced soon. You know that a very good friend is currently considering whether to sell his (Group) shares. Since the price of Group's shares will likely rise once acquisition of the new area of business has been announced, you consider telling your friend that he should hold off on selling his shares.

Do not tip your friend off under any circumstances. Since the information of which you are aware is not public, but inside knowledge of the Company and of the Group as well, you are not permitted under any circumstances to share this knowledge with others. Transmitting this knowledge directly or indirectly would make you liable to prosecution.

6 Our responsibility in the workplace

It is in the fundamental interests of Automobili Lamborghini to protect the health and safety of every employee.

The principle of protection and security also applies to employee and customer data as well as company-specific know-how and Company assets.

Automobili Lamborghini's responsibility in the workplace specifically gives rise to the following principles:

Occupational safety and healthcare

BACKGROUND

Automobili Lamborghini is committed to its responsibility for the safety and health of its employees.

We provide occupational safety and healthcare in line with the provisions of national regulations and with the occupational health and safety policy of the Company.

CORPORATE PRINCIPLE

We preserve and promote the health, performance and job satisfaction of our employees through continuous improvements in the working environment and a raft of preventive healthcare and health promotion measures.

MY CONTRIBUTION

I comply with the occupational health and safety rules. I never put the health and safety of my colleagues or business partners at risk. I take all appropriate and statutory precautions to ensure that my workplace always enables safe working.

I make an active contribution to maintaining and promoting my health by voluntarily participating in preventive healthcare and health promotion measures.

EXAMPLE

You notice that a machine in your department has an electronic fault.

Take the machine out of operation and make sure the «out of order» sign is clearly displayed and inform your responsible and Technical Services. Repairing electrical equipment yourself is not permitted and could be dangerous.

Data protection

BACKGROUND

There are special statutory rules to protect privacy when dealing with personal data.

As a general rule, collecting, storing, processing and other use of personal data require the consent of the person concerned or a contractual arrangement or on some other legal basis.

CORPORATE PRINCIPLE

We protect the personal data of employees, former employees, customers, suppliers and other affected parties, so called «data subject».

We collect, gather, process, use and store personal data strictly in accordance with legal provisions.

MY CONTRIBUTION

I ensure that personal data are collected, stored, processed or used in any other way only with the consent of the person concerned, under a contractual arrangement or some other legal basis.

All data processing tools must be secured in such a manner that the confidentiality, integrity, availability, verifiability and reliability of such sensitive data is guaranteed, and that unauthorized internal or external access is prevented.

When in doubt, I contact my superior or Legal Services or, as far as safety measures are concerned, IT.

EXAMPLE

You have organized a seminar for Automobili Lamborghini with external participants and receive personal data from the participants for it. A colleague asks you to pass the addresses on.

Do not pass this data on without consulting one of the contacts mentioned above. As a general rule, data may be used only for the purpose for which it was communicated.

Security and protection of information, know-how and intellectual property

BACKGROUND

Automobili Lamborghini holds internationally protected patents and also has extensive trade and business secrets in addition to technical know-how. This knowledge is the basis of our business success.

Unauthorized transmission of such knowledge may lead to extremely high losses for the Company and to consequences under labor, civil and criminal law for the employee concerned.

CORPORATE PRINCIPLE

We are aware of the value of Company know-how and take great care to protect it.

We respect the intellectual property of competitors, business partners and other third parties.

MY CONTRIBUTION

I handle all Automobili Lamborghini information carefully and do not disclose it to unauthorized persons.

I take particular care with regard to information relating to technical know-how, patents, and trade and business secrets.

EXAMPLE

You are involved in the development of an innovative technology. You are to present your development at various Company sites and want to take your laptop, on which the relevant documents are saved, with you for presentation purposes. You intend to go over these documents again on the plane or the train on the way to the individual sites.

Ensure that no one obtains knowledge of sensitive information belonging to Automobili Lamborghini, as this could lead to serious competitive disadvantages. Do not retrieve this type of information in places where third parties can access it or take note of it.

IT security

BACKGROUND

Information technology (IT) and electronic data processing (EDP) have become an integral part of everyday life at AutomobiliLamborghini.

At the same time, they involve numerous risks, foremost of which are impairment of data processing as a result of malware (viruses), loss of data due to program errors, and data misuse (e.g. due to hackers).

CORPORATE PRINCIPLE

We respect IT and EDP security and abide by the applicable regulations.

MY CONTRIBUTION

I familiarize myself with the applicable IT security regulations and observe the rules containedtherein.

I am aware that unencrypted data exchange (e.g. by e-mail or USB stick) is not a secure means of communication.

EXAMPLE

You are out of the office and are given a USB stick in order to exchange a document at a meeting.

Use only Automobili Lamborghini data carriers or data exchange systems and proceed according to the guidelines for information classification.

Arrange for the document to be e-mailed to you, for example. Never open e-mails or attachments that appear to be suspicious or that come from unknown e-mail addresses. That is how you prevent malware from entering the Companynetwork.

Handling Company assets

BACKGROUND

Automobili Lamborghini's tangible and intangible assets serve to help our employees achieve the Company's business objectives and may be used only for business purposes.

CORPORATE PRINCIPLE

We respect the Company's tangible and intangible assets and do not use them for non-business purposes.

MY CONTRIBUTION

I adhere to the Company's rules and exercise care when handling Company assets.

EXAMPLE

Your soccer club is planning a weekend trip. The trainer asks whether you, as a Automobili Lamborghini employee, can «organize» a vehicle from the Company fleet.

Company vehicles can only be used if assigned or for business reasons (e.g. travel). Therefore, third parties or employees are not permitted to use a corporate car for private purposes.

7 Support

If needed, internal and external points of contact provide support in dealing with the Ethic Code.

Further information on the irregularities reporting system and the Independent Body can be found at https://www.lamborghini.com/en-en/company.

Employee representation

We recognize the basic right of all employees to establish trade unions and employee representations. We are committed to working with employee representatives in candor and trust, to conducting a constructive and cooperative dialogue, and to striving for a fair balance of interests. Professional dealings with employee representatives that do not allow either privilege or discrimination are part of our corporate culture.

Safeguarding the future of Automobili Lamborghini and its employees is achieved in a spirit of cooperative conflict management and social commitment, on the basis and with the goal of ensuring economic and technological competitiveness. Economic viability and jobs are equal and shared goals.

Help/Contacts/Whistleblower System

Our first point of contact for any questions or uncertainties regarding the Ethic Code is our superior or the HR department. We can also contact the employee representatives. In addition, every employee can get in touch with the Company's Compliance Officer or send an e-mail to the general compliance office at compliance@lamborghini.com

Furthermore, we can address complaints and information concerning existing Company rules to the relevant offices. If we suspect a violation of the Ethic Code or a Serious Regulatory Violation at our workplace, we can use the Group Whistleblower System to report this – either giving our name or making an anonymous report.

Serious Regulatory Violations significantly harm the reputation or the financial interests of the Volkswagen Group or one of its Group companies. Managers belonging to the Management Circle or higher who have Reasonable Suspicion of a Serious Regulatory Violation must act as role models and are obliged to report any such suspicion immediately to the relevant office. Managers failing to comply with this obligation are themselves committing a Serious Regulatory Violation which will be sanctioned accordingly.

The Whistleblower System's Investigation Office is our main internal point of contact for reporting Serious Regulatory Violations in relation to our Company.

The system is founded on standardized, swift processes and the confidential and professional processing of information by internal experts. The fair and transparent procedure under the Whistleblower System makes sure that our Company, the Persons Implicated and the whistleblowers are protected. Misuse of our Whistleblower System is not tolerated: anyone deliberately misusing the Whistleblower System commits a Serious Regulatory Violation and faces disciplinary sanctions. Equally, we do not tolerate retaliation or discrimination against whistleblowers. This, too, is a Serious Regulatory Violation and disciplinary sanctions are imposed. With regard to Persons Implicated, the presumption of innocence applies for as long as a Regulatory Violation is not proven. Consequently, an investigation will only be opened if there is Reasonable Suspicion of a Serious Regulatory Violation.

We can access the Group Whistleblower System through the following channels.

Contact details for the Audi Investigation Office:

Postal address:

AUDI AG
Whistleblower System
85045 Ingolstadt

24/7 hotline:

+800 444 46300 / +49 5361 946300

E-mail: whistleblower-office@audi.de

Online reporting channel (this channel can also be used to make anonymous reports):
https://www.bkms-system.com/audi

In addition, experienced external lawyers act for us as neutral mediators (ombudspersons). As legal counsel, they are tasked with receiving reports on possible infringements of laws, internal rules or other conduct damaging to the Volkswagen Group. If necessary, and if the identity of the whistleblower is known, they make direct contact with the whistleblower should they require feedback. Once the preparations are complete, the ombudspersons forward the information agreed with the whistleblower – anonymously if the whistleblower so wishes – to the Whistleblower System for further processing.

Contact details for the ombudspersons:

Internet:
http://www.ombudsmen-of-volkswagen.com/

Further information on the Whistleblower System and the ombudspersons of the Volkswagen Group is available on the internet at
https://www.audi.com/en/company/sustainability/core-topics/operations-and-integrity/compliance-and-risk-management/whistleblower-system.html

Additional contact point for queries or alerts is the **Independent Body** of Lamborghini:

- odv@lamborghini.com
- odv-anonymous@lamborghini.com

Mailing address: Automobili Lamborghini S.p.A. Independent Body - Via Modena n. 12 - 40019 - Sant' Agata Bolognese –BO (Italy).

Self-test for decision guidance

If at any time I am unsure whether my behavior complies with the principles set out in our Ethic Code, I should ask myself the following questions:

1. **Did I take all relevant matters into consideration and weigh them properly? (content test)**
2. **Am I confident that my decision is within the constraints of legal and company requirements? (legality test)**
3. **Do I stand by my decision when it is revealed? (supervisor test)**
4. **Am I in favor of all such cases being decided the same way company-wide? (universality test)**
5. **Do I still think my decision is right when my Company has to justify it in public? (public test)**
6. **Would I accept my own decision if I were affected? (involvement test)**
7. **What would my family say about my decision? (second opinion)**

If my answer to questions 1-6 is «yes» and the answer to question 7 is positive, my behavior is very likely to be compliant with our principles. If questions remain unanswered or if I have any doubts, I should get in touch with any of the points of contact listed in this chapter.

THE ETHIC CODE GUIDES US!

Last update April 2020.