

Italdesign – Giugiaro S.p.A.

Slavery and Human Trafficking Statement

This statement is made in accordance with Section 54 of the United Kingdom's Modern Slavery Act of 2015.

I. ORGANISATION

Italdesign – Giugiaro S.p.A. – a Sole Shareholder Company subject to the Management and Coordination activities of AUDI AG – (“Italdesign” or the “Company”) is an Italian company located in Moncalieri, part of the Audi/Volkswagen Group. Italdesign is one of the world’s leading companies in the provision of development services for the automotive industry, whose mission is to provide a wide range of services dedicated to the development of new vehicles and industrial products, from styling to engineering and from prototypes manufacturing to testing and validation.

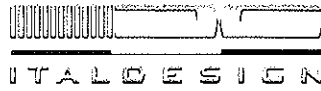
2. INTERNAL MEASURES

Italdesign Code of Conduct

The Italdesign Code of Conduct has been updated in 2017. It provides Italdesign employees, managers and collaborators with a practical guide, summarizing the key basic principles for correct conduct and providing support should they ever face legal or ethical challenges. The observance of internationally recognized human rights forms an important component of this Code of Conduct.

All employees who join Italdesign are requested to read the Code of Conduct carefully and are instructed about the principles and set of rules contained into it, which is always available for their consultation on the Intranet Legal & GRC Section.

For all suppliers and clients, and those who have business relationship with the Company and/or act on behalf of Italdesign towards third parties, relevant compliance clauses are introduced in the respective contracts.



Italdesign's Oversight Body and the Organisational and Management Model pursuant to Legislative Decree 231/2001

Italdesign employees, business partners and other third parties are provided with internal contact points, as well as external ombudspersons (Oversight Body) in order to be able to report on legal and regulatory violations as provided for by the Italian Legislative Decree 231/2001. The Company, in order to ensure the legality, correctness and transparency in the management of its business and its activities, has adopted the Organisational and Management Model pursuant to Legislative Decree 231/2001 as a set of rules and procedures aimed at preventing the commission of the different types of crimes provided for in the Decree and considered as relevant for the Company.

Therefore, expected behaviors towards employees and business partners are defined for running business ethically and not tolerate modern slavery.

Every subject that acts in the name and on behalf of the Company, that during their activity become aware of notices related to the commission of crimes within the Company or of practices not in compliance with the rules of conduct and the provisions of the Code of Conduct or of the Organisational Model, shall be obliged to timely inform the Oversight Body of the Company in writing by a dedicated email and/or in an anonymous way.

Qualification of employees

By taking preventive measures, Italdesign promotes compliance with regulations in its organization and raises awareness of its employees. This is why information and employee training play a key role in compliance work across all hierarchy levels. All employees joining Italdesign receive a welcome in the Company during the "Induction day", during which they are also instructed about compliance and on the content of the Code of Conduct and of the Organisational Model of the Company.

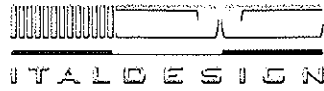
In addition, all employees and collaborators are able to access to an Intranet Legal & GRC Section which contains the Code of Conduct, both in Italian and English language, as well as the Company's Organisational Model.

Measures in the Supply chain

The Sustainability in supplier relations concept is based on the Code of Conduct in its section "Our Responsibility as Business Partner".

This formulates Italdesign's expectation for that also its business partners respect key environmental, social and compliance standards. Internationally acknowledged human rights are included in these standards.

Italdesign's goal is to ensure compliance with its sustainability standards along the entire global supply chain by integrating them into the procurement process on a contractual level, either through contract clauses or through purchase orders.



Although each Business Partners has its own approach towards responsibility for running its business ethically, Italdesign will not tolerate modern slavery in its activity or supply chain.

Finally, Italdesign has adopted the so called "Audi Pass": an IT tool that permits to evaluate the Business Partners reputation (considering for example the peculiarity of the market where the Business Partner operates).

3. EXTERNAL INPUT

In pursuit of ongoing improvements to its sustainability management activities, the Volkswagen AG Group set up a Sustainability Council in 2016. Made up of prominent international experts from politics, science and public life, the Sustainability Council communicates with the VW Board of Management, top management and employee representatives on a regular basis and provides unbiased advice on sustainability issues. The Sustainability Council is free to define its own procedures and its own priorities. Alongside sustainable mobility, climate protection, the future of work and digitalization, the Council also deals with questions of social responsibility and integrity.

The Company will guarantee intolerance to human rights violations by way of updating and revising its internal rules and continuing to raise awareness among its employees and Business Partners about non acceptance of any form of modern slavery and human rights abuse; to this purpose the Company will continue to disclose the principles of the Code of Conduct particularly among its employees and Business Partners.

June, 21st 2018

Italdesign – Giugiaro S.p.A.

A handwritten signature in black ink, appearing to read "Joerg Aсталosch".

Joerg Aсталosch
Chief Executive Officer

ITALDESIGN-GIUGIARO s.p.A.

Joerg Aсталosch
Chief Executive Officer

A handwritten signature in black ink, appearing to read "Salvatore Cieri".

Salvatore Cieri
General Manager Finance

ITALDESIGN-GIUGIARO s.p.A.

Salvatore Cieri
General Manager Finance

