

Procedure for the Management and Public Disclosure of inside Information

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1 – Introduction

1.1 – Information – in the sense of news about events, facts, figures or initiatives having a specific significance and purpose in relation to an entity's activity – is a strategic component of a company's assets and essential for its success. The appropriate and timely sharing of information is a necessary condition for the effective pursuit of business objectives, and underlies the most important corporate processes.

1.2 – Without prejudice to the provisions of applicable law concerning the protection and dissemination of particular categories of information, such as the personal and sensitive data referred to in the Code for the Protection of Personal Data (Legislative Decree 196/2003), the use of information must observe the general principles regarding the efficient exploitation and safeguarding of a company's resources, which can be expressed in the case in question as the “need to know” rule. The use of information for purposes other than the activity of the business is to be considered an abuse and, on a general basis, all those who work to promote the interest of the Pirelli Group (the “Group”) are subject to confidentiality requirements concerning the information they acquire in or for the performance of their duties.

1.3 – However, the law imposes an obligation to disclose information not known to the public concerning a company and its subsidiaries which is of a precise nature and which, if it were made public, would be likely to have a significant effect on the price of that company's financial instruments (inside information). The law also requires informational equality to be restored if inside information is disclosed prematurely to third parties who are not subject to confidentiality requirements under laws, regulations, bylaws or agreements.

1.4 – This explains the great delicacy of the stage preceding the “perfection” of inside information in which not only is it necessary to impose a confidentiality regime on inside information “in the making,” so as to avoid triggering the immediate disclosure obligation, but above all there is the fact that premature disclosure could be misleading for the market and/or harmful for the business.

1.5 – This procedure covers the handling – including the public disclosure – not only of inside information but also of information which could become such; it seeks to

reconcile the fluidity of internal information processes with safeguarding information, especially as regards the give and take between the disclosure of inside information and the need to keep it confidential while it is being perfected. In this respect the procedure ties in with the internal rules of general application concerning the classification and management of information from the standpoint of confidentiality.

2 – Purpose and scope

2.1 - This procedure (the “Procedure”) establishes:

- the requirements and responsibilities for the classification of inside information;
- the manner of tracing access to inside information in the making, with special regard to the creation of the register referred to in Article 115-*bis* of Legislative Decree 58/1998 and Article 152-*bis* of Consob Regulation 11971 of 14 May 1999, as amended;
- the instruments and rules for safeguarding inside information in the making;
- the operational rules for the disclosure of inside information to the market and in general for public announcements and/or communications to analysts/investors.

2.2 - The Procedure is an essential component of the Pirelli Group’s system of internal control. It directly regulates inside information concerning Pirelli, its unlisted subsidiaries and the Group’s listed securities and serves as a template for the similar measures that the other Group issuers of securities listed on regulated markets are independently required to adopt (including the companies that promote and manage shares of listed real estate investment funds).

2.3 – The seriousness of the consequences of failure to correctly apply the Procedure calls for rigorous and continuous checks on compliance and the immediate reporting of cases of inobservance to the Internal Control and Corporate Governance Committee by the person responsible for reporting.

3 – Persons subject to the Procedure

3.1 – The Procedure applies to all the members of the governing bodies of Group companies and those of their employees who have access to information that is capable

to become inside information. In particular, all the senior managers are required to make a written declaration at the time of their appointment attesting that they have examined the Procedure and are aware of the responsibilities it entails for them.

3.2 – The conduct of persons external to the Group who, for any reason whatsoever, have similar access is governed by the rules laid down in the confidentiality agreement referred to below.

3.3 – The Procedure also serves as instructions to Pirelli's subsidiaries to provide, without delay, all the information needed to permit the prompt fulfilment of the public disclosure obligations laid down in applicable laws and regulations and, exclusively as regards listed subsidiaries or subsidiaries with financial instruments listed on controlled Italian markets or that promote and manage shares of listed real estate investment funds, to adopt equivalent measures.

4 – Basis

- The EU Directives on Market Abuse (Directive 2003/6/EC of the European Parliament and of the Council of January 28, 2003, Commission Directive 2003/124/EC of December 22, 2003 and Commission Directive 2004/72/EC of 29 April 2004);
- Article 114 et seq. of Legislative Decree 58/1998 (the Consolidated Law on Finance);
- Law 262/2005;
- Consob Regulation adopted with resolution n. 11971 of May 14, 1999, as amended;
- The Code of Ethics of the Pirelli Group;
- General principles of internal control;
- The Pirelli Group's policy "OP SE G" for the handling of the company's information.

5 – Definitions

- "Inside information" – As provided for by law, inside information concerning Pirelli means information of a precise nature which has not been made public relating to the Company or to its subsidiaries and which, if it was made public, would be likely

to have a significant effect on the prices of securities they have issued. Once inside information has been perfected, there is a general obligation to disclose promptly it to the public in the manner laid down in the Procedure.

- “Market sensitive information” – For the purposes of the Procedure, market sensitive information means information that could become inside information, i.e. inside information in the making. The following are examples of market sensitive information as defined here: operational results or forecasts, commercial offers, projects, contracts, events, including those of an organizational nature, corporate actions and business decisions. Market sensitive information is subject to the confidentiality regime laid down in the Procedure. This does not exclude the possibility of the same information also being classified as confidential under the standard method of classification, governed by the relevant internal rules, in light of the potential harm to which its inappropriate circulation would expose the Group.
- “Informational context” means, with reference to an event, transaction or project, all the information concerning that event, transaction or project, including accessory information and all the relevant preparatory material. Similarly, certain activities and processes that are recurrent or continuous in the operation of the business constitute informational contexts.
- “Register” means the database, created pursuant to applicable law, with the names of the persons who have access to market sensitive information through the exercise of their employment, profession or duties.
- “Market Sensitivity Support Group” means the group providing technical support in determining the market sensitivity of information, made up of persons appointed by the heads of the following functions: Personnel, Industrial Legal Affairs, Corporate Legal Affairs, Administration and Control, Media Relations, Finance, Investor Relations, and coordinated by the Information Officer.¹

6 – Requirements for inside information

¹ Individual receiving requests for information as referred to in article 2.6.1 of the Rules for markets organised and managed by Borsa Italiana S.p.A.

6.1 – The first requirement for inside information is precision. Accordingly, for information to be considered inside information, it must refer to:

- an event which has occurred or may reasonably be expected to do so; or
- a set of circumstances which exists or may reasonably be expected to come into existence;

and enable a conclusion to be drawn as to the possible effect of that event or set of circumstances on the prices of the securities of the Company and its subsidiaries.

6.2 – Inside information concerns actual and probable events and circumstances. For the purposes of the Procedure, studies, research and estimates developed from publicly available data are excluded.

6.3 – Inside information must also relate to the Company or its subsidiaries. In this respect inside information can:

- have a “voluntary” origin (such as unilateral business decisions, extraordinary corporate actions and agreements); or
- derive from the occurrence of facts, events or circumstances of an objective nature capable of influencing the activity of the business and/or the price of the securities issued (such as periodic financial reports and the resignation of a top manager).

The extent to which information relates to the Company must be evaluated in terms of the legal imputability to the Company of the decision (inside information of “voluntary” origin) or of the act of verification (inside information of “external” origin).

6.4 – Inside information of “voluntary” origin is perfected when the fact (transaction, unilateral decision or agreement) to which the information refers is defined in the manner provided for by the applicable principles of corporate governance, i.e. laid down in laws and regulations, bylaws or internal rules. In this case the disclosure of inside information follows the adoption of the decision by the body competent for the matter that is the subject of the information (the Board of Directors or a body with delegated powers).

6.5 – As for agreements, the relevant moment is that of their substantial definition, in terms of content and legal bindingness, rather than that of their formal execution: the inside information is perfected as soon as there is a meeting of the wills of the parties

with regard to the essential elements of the contract, without reserving further negotiations. It remains necessary for the “will” of the Company (or its subsidiaries) to be expressed by a person authorized to commit the Company (or its subsidiaries), so as to ensure that the “will” – and hence the information – can be related to the Company (or its subsidiaries).

6.6 – In the case of inside information of “external” origin, i.e. information consisting of the verification of facts, events or circumstances of an objective nature, if the fact is instantaneous (e.g. the notification of a sanction or the resignation of a top manager) and not open to interpretation, the time at which it is received by the competent organizational unit is when the information can be related to the Company (or its subsidiaries) and therefore when the inside information is perfected and the disclosure obligation consequently triggered.

6.7 – More frequently, however, the verification of inside information of “external” origin is a process that unfolds over time and is divided into successive stages, serving at times to obtain figures (as for periodic financial reports) and at others to interpret a set of circumstances (as for a possible profit warning in light of the performance of the business). In such cases the time at which the inside information is perfected is governed by the corporate governance standards – laid down in laws and regulations, bylaws or internal rules – that determine the body competent to conclude the verification process.

7 – Classification of market sensitive information

7.1 – In the case of inside information of “voluntary” origin, information may be classified as market sensitive by persons authorized to submit the event, transaction or process to the body competent to decide on it. Accordingly,

- in the case of initiatives of a strategic nature and those for which the Board of Directors is competent (e.g. extraordinary financial actions), information is classified as market sensitive by the Chairman of the Board of Directors, who may delegate the task to the Secretary of the Board of Directors, who may consult with the Managing Director and/or the General Directors;

- in the case of decisions entrusted to bodies with delegated powers (e.g. a commercial agreement or the launch of a new product), the decision on the market sensitive nature of information is taken by the senior manager directly under the managing director.

7.2 – It is also possible for the classification to be made directly by the body competent to decide (i.e. by the Board of Directors or the bodies with delegated powers).

7.3 – Once information has been classified as market sensitive, the competent person must activate the procedures to cordon off the relevant informational context, so as to prevent the inappropriate internal and, above all, external circulation of the information.

7.4 – In the case of inside information of “external” origin – apart from that concerning instantaneous events not open to interpretation, the mere reception of which triggers the disclosure obligation – information becomes market sensitive (and subject to the corresponding confidentiality regime):

- if the informational content is the subject of a process of verification or construction that has already been formalized (e.g. the calculation of data to be included in a financial report), starting from the stage of the process specified by the senior manager responsible for the process. The specification of this critical stage must reconcile the organizational need for elementary data to flow freely with the need to counter the risk of leakage in good time (through suitable instruments and conduct);
- if the process of interpreting and evaluating the event or circumstance has not already been formalized (e.g. the notification of a sanction), starting from the time the event or circumstance becomes related to the company, with the act of the competent senior manager if and when he considers that the information in question may become inside information.

7.5 – Before information is classified as market sensitive, it is at a preliminary stage to which the Procedure does not apply. This obviously does not exclude the possibility of the information being classified as confidential under the Group’s policy for the

classification and handling of information, which also continues to apply after information has been classified as market sensitive.

7.6 – In carrying out their evaluations, the persons charged with classifying information as market sensitive may have recourse to the technical support of the Market Sensitivity Support Group, which, for example, may also draw up lists of facts and circumstances that would normally be considered relevant, in light of their nature, characteristics and scale.

8 – The register

8.1 – The register consists of a computerized system whereby access to the individual market sensitive informational contexts can be traced, so as to permit checks to be made on the data entered and any subsequent updates. Each person entered in the register is charged with ensuring the traceability of the handling of market sensitive information deriving from his sphere of activity and responsibility.

8.2 – Without prejudice to compliance with the regime laid down in laws and regulations, entries are made in the Register for:

- recurrent and continuous significant activities and processes (e.g. the preparation of financial reports, budgets, and forecasts);
- specific projects and events (e.g. extraordinary corporate actions, acquisitions and disposals, and significant external events).

8.3 – Individual names are entered in the Register in connection with each recurrent or continuous process or each project or event (with the possibility of multiple entries in relation to different informational contexts), with an indication of the time the market sensitive information became available and, where appropriate, of the time it ceased to be available (entry to/exit from the relevant informational context).

8.4 – Responsibility for creating a new informational context and entering the necessary data (with an indication of the role played by each person with access to the information) coincides with the responsibility for classifying the information as market sensitive and is therefore allocated to the persons authorized to perform the classification (the Board of Directors, the Chairman of the Board of Directors, the Secretary of the Board of Directors if authorized by the Chairman, the Managing Director and the senior managers). The person who creates an informational context has primary responsibility for it and accordingly also decides on the reclassification of its content.

8.5 – At the time a new name is entered in the Register and of subsequent updates to the entry (either by the person primarily responsible for the informational context to which the market sensitive information belongs or by another person authorized to that end), the system automatically generates a message to the interested party, together with a document setting out the obligations, prohibitions and responsibilities connected with access to market sensitive information, including a policy for tracing individual information flows (see the document in Annex A).

8.6 – The definition of “roles” and the manner of keeping and updating the Register, the methods of retrieving data and the procedures for managing the database are set out in Annex B.

9 – Confidentiality measures applied to market sensitive information

9.1 – The Pirelli Group takes suitable measures to maintain the confidentiality of market sensitive information. In particular, without prejudice to the security measures laid down by the Group’s policy and the other safeguards suggested by experience and, in general, the prudence required to keep the risk of information leakage within reasonable limits, the organisational, physical and logical security measures set out below must be complied with.

9.2 – It is understood that the above-mentioned measures also apply:

- to inside information that has already been perfected but for which a delay in disclosure has been duly requested, until the information is actually disclosed;
- subsequent to disclosure, to all the relevant preparatory material, without prejudice to the possibility of its reclassification by the person with primary responsibility for the informational context to which it belongs.

Organisational security

9.3 – The distribution of market sensitive information according to the guiding principle of the need to know is entrusted to the senior managers in Pirelli's official organization chart, who are required to inform recipients of the importance of the information transmitted and to make the necessary entries in the Register without delay.

9.4 – In the case of recurrent and continuous activities and processes, the identification of the persons authorized to have access to market sensitive information is a key aspect of the operational procedures governing such activities and processes. The Human Resources Function is responsible for updating the Register in line with developments in the internal organization.

9.5 – In order to access market sensitive information, persons external to the Group must first sign a confidentiality agreement. The template for this agreement, elements of which may be omitted only with the express authorization of the Chairman of the Board of Directors, the Secretary of the Board if authorized by the Chairman, or a Managing Director, is set out in Annex C.

Physical security

9.6 – The activity of producing material (including, but not limited to, the printing and photocopying of documents) containing market sensitive information must be overseen

by personnel entered in the Register. The subsequent retention, distribution and management of such material are the responsibility of the persons possessing it, within the limits of such possession according to their entitlement in the Register. Each person is responsible for ensuring the traceability of the operations involved in the management of the material he has been entrusted with.

9.7 – Material must be labelled “market sensitive” to permit the nature of the information contained to be recognized; to this end, the names of any files, regardless of their extension, must include the code of the informational context to which they belong.

9.8 – Material containing market sensitive information must be kept in rooms with controlled physical access or placed in guarded or protected archives when no longer required and must never be left unguarded, especially when taken off the work premises.

9.9 – The destruction of material containing market sensitive information must be undertaken by the persons possessing it, in the most suitable way to prevent the improper recovery of the data.

Logical security

9.10 – When market sensitive information is processed, transmitted or stored in electronic form, it must be encrypted.

9.11 – The encryption system used by the Pirelli Group for market sensitive information is SealedMedia Inc.’s Sealer 4.0 (or a later release). The entry of data in the Register for a given informational context automatically results in corresponding entries being made in the database of authorizations to access the corresponding files, with the user profiles of the “roles” defined in the register, individually or by category.

10 – Disclosure of inside information to the market – general rules

10.1 – In the case of inside information of “voluntary” origin (i.e. inside information that is the subject of a process of verification), the person entitled to classify the informational context as market sensitive (i.e. the senior manager charged with the verification process) is responsible for promptly activating the preparation of the press release to be issued when the inside information is perfected.

10.2 – To this end, such person handles communications with the Media Relations Function (External Communication) and coordinates all the persons entered in the Register for the informational context in question who possess information that the Media Relations Function needs to prepare a draft press release. The Market Sensitivity Support Group checks the draft from the point of view of the congruence of the economic and financial data, its ability to meet the needs of investors and the financial community, its consistency with information already disclosed by the Company in financial reports or earlier press releases, and its compliance with applicable laws and regulations.

10.3 – Finally the Information Officer decides whether to make ex ante checks with supervisory authorities (Borsa Italiana, Consob, etc.), where appropriate also with a view to submitting a duly formulated request to delay disclosure.

10.4 – The Media Relations Function then submits the draft press release resulting from the process described above for approval by top management (the Board of Directors as a whole if the Board is responsible for perfecting the inside information), incorporates any comments or changes and receives the competent director’s authorization to make the disclosure. The Media Relations Function - after verifying the presence of the declaration by the General Manager and the manager responsible for preparing the Company’s financial reports attesting the truthfulness of the press release if it contains information on the economic, equity, or financial conditions of the Group – issues the

press release in accordance with applicable laws and regulations and immediately informs the Investor Relations Function and the Information Officer, so that they can perform the activities for which they are competent, as well as to the top management.

10.5 – After public disclosure, the Media Relations Function posts the press release without delay (and in any case before the market opens on the day following that on which it was issued) on the Company's website, with an indication of the date and time of the posting.

10.6 – In the case of inside information consisting of an instantaneous objective fact which is merely received, the process described above – *mutatis mutandis* – must be initiated by the member of the internal organization authorized to perform the necessary verification.

11 – Disclosure of inside information to the market – special cases

Rumours and requests by the authorities

11.1 – When:

- there is a significant variation in the price of listed financial instruments with respect to the last price of the previous day, coupled with the disclosure to the public, not in accordance with this Procedure, of information concerning the Company's or its subsidiaries' equity, economic, or financial conditions, possible extraordinary financial actions, significant acquisitions or disposals, or operating performance;
- with the markets closed or in the pre-opening phase, there is publicly available information which was not disclosed in accordance with this Procedure and which is likely to have a significant effect on the price of the Company's or its subsidiaries' financial instruments, or
- a report is received from Borsa Italiana or Consob concerning the spread of market rumours,

the Information Officer, with the assistance of the Market Sensitivity Support Group and the heads of the corporate functions involved, examines the situation to determine whether it is necessary and/or desirable to inform the public regarding the truthfulness of the publicly available information, supplementing and correcting it if need be, in order to restore conditions of informational equality and fairness, and, where appropriate, whether it is necessary to submit a duly formulated request to delay disclosure.

11.2 – Similarly, the Information Officer, with the assistance of the Market Sensitivity Support Group and the heads of the corporate functions involved, examines the situation to determine whether it is necessary and/or desirable to make a public disclosure (and, as above, to determine whether it is necessary to submit a duly formulated request to delay the disclosure) if Borsa Italiana or Consob request information or a public disclosure, even in the absence of rumours.

11.3 – If public disclosure is found to be necessary or desirable, the Information Officer initiates the process of drafting an appropriate press release, in the manner described above.

Profit warnings

11.4 – In the case of earlier announcement of targets (including in the form of trend changes) and/or forecasts for the Company and/or its subsidiaries, the Investor Relations Function, together with the other general Functions involved, are responsible for monitoring the consistency of the operating performance with what was announced and for monitoring the consensus of the market, so as to issue a profit warning in the event of a significant and lasting divergence between market expectations and the Company's own projections.

11.5 – If a press release is necessary, it is prepared by the Administration and Control Function in the manner described above.

12 – Relations with third parties

12.1 – The Company has structures charged with handling relations with the media and with the Italian and international financial community.

Relations with the financial community

12.2 – Relations with the financial community are handled by the Investor Relations Function.

12.3 – On the occasion of meetings with the financial community (road shows, conference calls, conventions, etc.), the Investor Relations Function gives advance notice of the place, date and purpose of the meeting to the Market Sensitivity Support Group for its assessment of the aspects for which it is competent. It also provides draft versions of any documents that are to be presented/distributed to participants. Copies of the final versions of such documents must be sent to the Information Officer, so that any disclosures necessary may be made before the material is presented/distributed in the meeting.

12.4 – If the preliminary examination of the material finds it contains inside information, a suitable press release is prepared and issued at the initiative of the Information Officer. An analogous procedure is followed if inside information is unintentionally disclosed in a meeting.

Relations with the media

12.5 – The Media Relations Function (Office of External Communication) is responsible for relations with the press.

12.6 – Interviews and statements concerning the Company, and meetings with reporters, may be given or made by the Chairman of the Board of Directors, the Managing Director after consulting with the Chairman, and other persons authorized by the

Chairman, acting on a proposal from the Media Relations Function or otherwise. This Function clears the content of interviews and press conferences with the interested parties and keeps the Market Sensitivity Support Group constantly informed so that it may assess the aspects for which it is competent.

12.7 – If the preliminary examination of the material finds it contains inside information, a suitable press release is prepared and issued in the manner described above at the initiative of the Information Officer. An analogous Procedure is followed if inside information is unintentionally disclosed in an interview or at a press conference.

Conferences, meetings, courses and conventions

12.8 – When managers participate in conferences, meetings, courses and conventions, the organizational unit involved gives advance notice of the place, date and purpose of the meeting to the Media Relations Function - if the participation of the press is likely at such events – and to the Human Resources and Organization Function. It also provides the name of the Company representative(s) participating and draft versions of any documents that are to be presented/distributed to participants.

12.9 – Subsequent to a cursory preliminary examination, the Media Relations Function (and/or the Human Resources and Organization Function) initiates a check on the content of the material with the Market Sensitivity Support Group. If it is found to contain inside information, a suitable press release is prepared and issued in the manner described above at the initiative of the Information Officer.

13 - Publications

13.1 – The content of any document published by the Company (such as advertisements, advertising brochures, information booklets, company magazines, etc.) must be first checked by the Office of External Communication, assisted by the Market

Sensitivity Support Group, to ensure that the information is correct and consistent with the content of earlier publications and that it does not include inside information.

13.2 – If inside information is found during the above-mentioned check of the content of a document, a suitable press release is prepared and issued at the initiative of the Information Officer.

13.3 – Economic and financial information, corporate documents, presentations to the financial community and other documents concerning Pirelli are posted on the Company's website. Such posting, to be authorized by the heads of the competent Functions, may not take place until the Company has fulfilled the disclosure obligations imposed by applicable laws and regulations. For such purpose, the heads of the competent Functions send such material to the Information Officer so that he may fulfil the obligations imposed by applicable laws and regulations.

Notices to be sent to persons entered in the register

Pursuant to Article 115-*bis* of the Consolidated Law on Finance (Legislative Decree 58/1998, as amended, the “CLF,”), Pirelli & C. S.p.A. has created a register of persons with access to information that is likely to become inside information as defined in Article 114 of the CLF (the “Information” and the “Register”).

Accordingly, this is to inform you, pursuant to Article 152-*quinquies* of Consob Regulation 11971/1999 on issuers, as amended, that

***[N.B.: depending on the reason for the notice being sent,
it is necessary to insert one of the following texts]***

- your name [or your company or professional association] has been entered in the Register as having access on a regular basis to Information in connection with the following recurrent activity: ***[N.B.: notice of entry in connection with a recurrent activity]***
- your name [or your company or your professional association] has been entered in the Register as having access on an occasional basis to Information in connection with the following project or event: ***[N.B.: notice of entry in connection with a project or event]***
- your entry in the Register has been updated to indicate that you no longer have access to Information in connection with the following project or event: ***[N.B.: notice to be sent at the end of a project or event]***
- your [or your company’s or your professional association’s] entry in the Register has been updated to indicate that you [or your company or your professional association] no longer have [has] access to Information in connection with the following recurrent activity: ***[N.B.: notice to be sent at the end of a person’s entry as having access to Information “on a regular basis” in connection with a recurrent activity]***

To this end we inform you that, pursuant to Article 181 of the CLF, inside information means information of a precise nature which has not been made public relating, directly or indirectly, to Pirelli & C. S.p.A. (the “Company”), its securities or one of its subsidiaries and which, if it were made public would be likely to have a significant effect on the prices of the Company’s securities.

Pursuant to Article 114 of the CLF, the Company must disclose inside information concerning the Company or its subsidiaries without delay to the public; it may delay the disclosure of such information, under its own responsibility, only in the cases and under the conditions established by Consob, provided that the Company is able to ensure the confidentiality of the information.

If Information is divulged to a third party who is not subject to a confidentiality requirement, the Company must disclose it in full to the public, simultaneously when it is divulged intentionally and without delay when it is divulged unintentionally.

It is therefore essential that persons entered in the Register observe the confidentiality requirements applying to Information to which they have access.

It should be noted, moreover, that each person entered in the Register is required to ensure the traceability of actions involving Information and its confidentiality within his sphere of activity and responsibility, from the time when, by any means (i.e. in correspondence, meetings, etc.), he comes into possession of Information in connection with the recurrent activity or the project or event to which the relevant entry refers.

If a person entered in the Register, intentionally or unintentionally, divulges Information to persons not possessing it (even if entered in the Register for other reasons), he must immediately inform the officer responsible for the Register.

It should also be remembered that Title I-*bis* of the CLF provides for sanctions in the event of insider trading and market manipulation. In particular, Articles 184 and 187-*bis* provide respectively for penal and administrative sanctions to be imposed on any person who, possessing inside information by virtue of his membership of the administrative, management or supervisory bodies of an issuer, his share holding in the capital of an issuer or the exercise of his employment, profession, duties, including public duties, or position:

- a) buys, sells or carries out other transactions involving, directly or indirectly, for his own account or for the account of a third party, financial instruments using such information;
- b) discloses such information to others outside the normal exercise of his employment, profession, duties or position;
- c) recommends or induces others, on the basis of such information, to carry out any of the transactions referred to in subparagraph a)

Penal sanctions, imposed by the courts, consist of imprisonment for a period between two and twelve years and a fine of between twenty thousand and three million euros; administrative sanctions, imposed by Consob with a reasoned decision, consist of a fine of between one hundred thousand and fifteen million euros

The amounts of the pecuniary administrative sanctions referred to above may be increased up to three times or up to the larger amount of ten times the product of the offence or the profit therefrom when, in view of the personal situation of the guilty party, the magnitude of the product of the offence or the profit therefrom or the effects produced on the market, they appear inadequate even if the maximum amount is applied.

Without prejudice to the possibility of the Company seeking compensation for any losses and/or liability it may incur as a consequence of conduct in violation of the obligations referred to in this notice, it should be recognized that non-compliance may also result: (i) for employees, in the imposition of the disciplinary measures provided for by law and labour contracts; (ii) for external collaborators, in the termination, with or without notice, of the relationship; and (iii) for directors and members of the board of auditors, in the board of directors proposing their disqualification for good cause at the next shareholders' meeting.

The personal data necessary for entries in and updates of the register will be treated in accordance with Legislative Decree 196/2003 (the "Privacy Code").

Please examine the extract from the legislation referred to in this notice and the fact sheet issued pursuant to Article 13 of the Privacy Code by clicking on this Internet link¹

For any information or clarification you may need concerning this document and its application, please contact.....²

(The officer responsible for the Register)

¹ The link to a page of the website on which the documentation will be made available.

² It is proposed that an e-mail address be given to which recipients of the document can apply for assistance or submit comments.

Notices to be sent to persons entered in the register

Pursuant to Article 115-*bis* of the Consolidated Law on Finance (Legislative Decree 58/1998, as amended, the “CLF,”), Pirelli & C. S.p.A. has created a register of persons with access to information that is likely to become inside information as defined in Article 114 of the CLF (the “Information” and the “Register”).

Accordingly, this is to inform you, pursuant to Article 152-*quinquies* of Consob Regulation 11971/1999 on issuers, as amended, that

***[N.B.: depending on the reason for the notice being sent,
it is necessary to insert one of the following texts]***

- your name [or your company or professional association] has been entered in the Register as having access on a regular basis to Information in connection with the following recurrent activity: ***[N.B.: notice of entry in connection with a recurrent activity]***
- your name [or your company or your professional association] has been entered in the Register as having access on an occasional basis to Information in connection with the following project or event: ***[N.B.: notice of entry in connection with a project or event]***
- your entry in the Register has been updated to indicate that you no longer have access to Information in connection with the following project or event: ***[N.B.: notice to be sent at the end of a project or event]***
- your [or your company’s or your professional association’s] entry in the Register has been updated to indicate that you [or your company or your professional association] no longer have [has] access to Information in connection with the following recurrent activity:
[N.B.: notice to be sent at the end of a person’s entry as having access to Information “on a regular basis” in connection with a recurrent activity]

To this end we inform you that, pursuant to Article 181 of the CLF, inside information means information of a precise nature which has not been made public relating, directly or indirectly, to Pirelli & C. S.p.A. (the “Company”), its securities or one of its subsidiaries and which, if it were made public would be likely to have a significant effect on the prices of the Company’s securities.

Pursuant to Article 114 of the CLF, the Company must disclose inside information concerning the Company or its subsidiaries without delay to the public; it may delay the disclosure of such information, under its own responsibility, only in the cases and under the conditions established by Consob, provided that the Company is able to ensure the confidentiality of the information.

If Information is divulged to a third party who is not subject to a confidentiality requirement, the Company must disclose it in full to the public, simultaneously when it is divulged intentionally and without delay when it is divulged unintentionally.

It is therefore essential that persons entered in the Register observe the confidentiality requirements applying to Information to which they have access.

It should be noted, moreover, that each person entered in the Register is required to ensure the traceability of actions involving Information and its confidentiality within his sphere of activity and responsibility, from the time when, by any means (i.e. in correspondence, meetings, etc.), he comes into possession of Information in connection with the recurrent activity or the project or event to which the relevant entry refers.

If a person entered in the Register, intentionally or unintentionally, divulges Information to persons not possessing it (even if entered in the Register for other reasons), he must immediately inform the officer responsible for the Register.

It should also be remembered that Title I-*bis* of the CLF provides for sanctions in the event of insider trading and market manipulation. In particular, Articles 184 and 187-*bis* provide respectively for penal and administrative sanctions to be imposed on any person who, possessing inside information by virtue of his membership of the administrative, management or supervisory bodies of an issuer, his shareholding in the capital of an issuer or the exercise of his employment, profession, duties, including public duties, or position:

- a) buys, sells or carries out other transactions involving, directly or indirectly, for his own account or for the account of a third party, financial instruments using such information;
- b) discloses such information to others outside the normal exercise of his employment, profession, duties or position;
- c) recommends or induces others, on the basis of such information, to carry out any of the transactions referred to in subparagraph a)

Penal sanctions, imposed by the courts, consist of imprisonment for a period between two and twelve years and a fine of between twenty thousand and three million euros; administrative sanctions, imposed by Consob with a reasoned decision, consist of a fine of between one hundred thousand and fifteen million euros

The amounts of the pecuniary administrative sanctions referred to above may be increased up to three times or up to the larger amount of ten times the product of the offence or the profit therefrom when, in view of the personal situation of the guilty party, the magnitude of the product of the offence or the profit therefrom or the effects produced on the market, they appear inadequate even if the maximum amount is applied.

Without prejudice to the possibility of the Company seeking compensation for any losses and/or liability it may incur as a consequence of conduct in violation of the obligations referred to in this notice, it should be recognized that non-compliance may also result: (i) for employees, in the imposition of the disciplinary measures provided for by law and labour contracts; (ii) for external collaborators, in the termination, with or without notice, of the relationship; and (iii) for directors and members of the board of auditors, in the board of directors proposing their disqualification for good cause at the next shareholders' meeting.

The personal data necessary for entries in and updates of the register will be treated in accordance with Legislative Decree 196/2003 (the "Privacy Code").

Please examine the extract from the legislation referred to in this notice and the fact sheet issued pursuant to Article 13 of the Privacy Code by clicking on this Internet link¹

For any information or clarification you may need concerning this document and its application, please contact.....²

(The officer responsible for the Register)

¹ The link to a page of the website on which the documentation will be made available.

² It is proposed that an e-mail address be given to which recipients of the document can apply for assistance or submit comments.