



**PIRELLI & C. S.P.A.  
SEPARATE FINANCIAL  
STATEMENTS AT  
DECEMBER 31, 2025**

## STATEMENT OF FINANCIAL POSITION

(in euro)

	Note	12/31/2025		12/31/2024	
			of which related parties (Note 39)		of which related parties (Note 39)
Property, plant and equipment	8	50,753,641		56,974,549	
Intangible assets	9	2,280,110,367		2,279,489,673	
Investments in subsidiaries	10	4,621,948,778		4,621,948,778	
Investments in associates	11	142,750		142,750	
Other financial assets at fair value through other comprehensive income	12	34,018,008		60,547,868	
Other receivables	13	1,402,811,817	1,400,000,000	386,547	-
Derivative financial instruments	17	-	-	4,264,020	4,264,020
<b>Non-current assets</b>		<b>8,389,785,361</b>		<b>7,023,754,185</b>	
Trade receivables	14	57,928,100	56,582,554	61,647,402	60,718,230
Other receivables	13	333,786,798	313,727,589	1,997,593,674	1,983,088,116
Cash and cash equivalents	15	93,951		51,426	
Tax receivables	16	97,351,941	95,719,849	76,071,161	75,106,559
Derivative financial instruments	17	503,829	503,829	32,633	32,633
<b>Current assets</b>		<b>489,664,619</b>		<b>2,135,396,296</b>	
<b>Total assets</b>		<b>8,879,449,980</b>		<b>9,159,150,481</b>	
Shareholders' equity:					
- Share capital		2,065,650,608		1,904,374,936	
- Other reserves		2,482,745,812		2,207,708,767	
- Retained earnings reserve		731,429,589		639,392,383	
- Net income of the year		285,191,626		302,024,244	
<b>Total shareholders' equity</b>	18	<b>5,565,017,635</b>		<b>5,053,500,330</b>	
Borrowings from banks and other financial institutions	19	2,410,996,526		2,713,507,974	
Other payables	23	965,100		94,990	
Provisions for liabilities and charges	20	30,827,746	17,827,764	39,061,625	19,436,998
Provision for deferred tax liabilities	24	621,695,912		604,848,558	
Employee benefit obligations	21	18,246,891	5,452,255	17,664,521	3,812,746
<b>Non-current liabilities</b>		<b>3,082,732,175</b>		<b>3,375,177,668</b>	
Borrowings from banks and other financial institutions	19	47,611,020	1,557,163	548,294,500	1,191,027
Trade payables	22	33,604,392	3,677,522	30,533,740	3,756,857
Other payables	23	69,608,390	32,628,040	77,042,938	32,247,713
Provisions for liabilities and charges	20	1,200,000		50,700,000	
Employee benefit obligations	21	-		820,000	
Tax payables	25	79,668,687	30,608,649	23,073,662	22,779,424
Derivative financial instruments	17	7,681	7,681	7,643	7,643
<b>Current liabilities</b>		<b>231,700,170</b>		<b>730,472,483</b>	
<b>Total Liabilities and Equity</b>		<b>8,879,449,980</b>		<b>9,159,150,481</b>	

## INCOME STATEMENT

(in euro)

	Note	2025		2024	
			of which related parties (Note 39)		of which related parties (Note 39)
Revenues from sales and services	27	86,952,329	86,931,713	86,322,108	86,303,243
Other income	28	137,031,171	125,930,991	142,757,052	132,932,073
Raw materials and consumables used	29	(282,221)		(281,839)	
Personnel expenses	30	(75,320,908)	(10,114,086)	(75,930,545)	(11,060,985)
Amortisation, depreciation and impairment	31	(11,326,107)		(10,762,435)	
Other costs	32	(106,489,326)	(39,982,421)	(137,014,078)	(40,633,757)
Net impairment loss on financial assets	33	81,130		(56,320)	
<b>Operating income (loss)</b>		<b>30,646,068</b>		<b>5,033,943</b>	
Net income (loss) from equity investments	34	301,519,964		319,892,369	
- gains on equity investments		-		-	
- losses on equity investments		(6,980,370)	(6,980,370)	(23,031,178)	(23,031,178)
- dividends		308,500,334	275,093,831	342,923,547	339,084,585
Financial income	35	58,109,436	54,791,350	88,512,713	87,981,604
Financial expenses	36	(105,086,374)	4,182,594	(132,356,398)	11,902,213
<b>Net income (loss) before taxes</b>		<b>285,189,094</b>		<b>281,082,627</b>	
Taxes	37	2,532		20,941,617	
<b>Total net income of the year</b>		<b>285,191,626</b>		<b>302,024,244</b>	

## STATEMENT OF COMPREHENSIVE INCOME

(in euro)

	Note	2025	2024
<b>A</b>	<b>Net income of the year</b>	<b>285,191,626</b>	<b>302,024,244</b>
	- Remeasurement of employee benefits	48,591	(72,218)
	- Tax effect	(11,662)	17,332
	- Fair value adjustment of other financial assets at fair value through other comprehensive income	(13,059,054)	9,821,838
<b>B</b>	<b>Total items that may not be reclassified to income statement</b>	<b>(13,022,125)</b>	<b>9,766,952</b>
	Fair value adjustment of derivatives designated as cash flow hedge:		
	- Gains / (losses) for the year	462,955	3,355,864
	- (Gains) / losses reclassified to income statement	(9,631,222)	(17,771,913)
	- Tax effect	2,200,384	3,459,852
<b>C</b>	<b>Total items reclassified / that may be reclassified to income statement</b>	<b>(6,967,883)</b>	<b>(10,956,197)</b>
<b>D</b>	<b>Total other components of comprehensive income (B+C)</b>	<b>(19,990,008)</b>	<b>(1,189,245)</b>
<b>A+D</b>	<b>Total comprehensive income / (loss) for the financial year</b>	<b>265,201,618</b>	<b>300,834,999</b>

## STATEMENT OF CHANGES IN EQUITY

(in euro) (note 18)

	Share Capital	Legal Reserve	Share Premium Reserve	Concentration Reserve	Other Reserves	Other O.C.I. Reserves (*)	Merger Reserve	Reserve from results carried forward	Net result of the year	Total
<b>Total at 12/31/2023</b>	<b>1,904,374,936</b>	<b>380,874,988</b>	<b>630,380,599</b>	<b>12,466,897</b>	<b>133,734,599</b>	<b>28,514,954</b>	<b>1,022,927,715</b>	<b>594,508,404</b>	<b>242,882,239</b>	<b>4,950,665,331</b>
Dividend distribution as per resolution of May 28, 2024	-	-	-	-	-	-	-	-	(198,000,000)	(198,000,000)
Result carried forward	-	-	-	-	-	-	-	44,882,238	(44,882,238)	-
Other components of comprehensive income	-	-	-	-	-	(1,189,245)	-	-	-	(1,189,245)
Result for the year	-	-	-	-	-	-	-	-	302,024,244	302,024,244
<i>Total comprehensive income/(loss) for the year</i>	-	-	-	-	-	(1,189,245)	-	-	302,024,244	300,834,999
Other changes	-	-	-	-	-	(1,741)	-	1,741	-	-
<b>Total at 12/31/2024</b>	<b>1,904,374,936</b>	<b>380,874,988</b>	<b>630,380,599</b>	<b>12,466,897</b>	<b>133,734,599</b>	<b>27,323,968</b>	<b>1,022,927,715</b>	<b>639,392,383</b>	<b>302,024,244</b>	<b>5,053,500,330</b>
Dividend distribution as per resolution of May 12, 2025	-	-	-	-	-	-	-	-	(250,000,000)	(250,000,000)
Result carried forward	-	-	-	-	-	-	-	52,024,244	(52,024,244)	-
Convertible bond conversion	161,275,672	-	335,224,327	-	(41,199,808)	-	-	41,015,496	-	496,315,687
Other components of comprehensive income	-	-	-	-	-	(19,990,008)	-	-	-	(19,990,008)
Result for the year	-	-	-	-	-	-	-	-	285,191,626	285,191,626
<i>Total comprehensive income/(loss) for the year</i>	-	-	-	-	-	(19,990,008)	-	-	285,191,626	265,201,618
Other changes	-	-	-	-	-	1,002,534	-	(1,002,534)	-	-
<b>Total at 12/31/2025</b>	<b>2,065,650,608</b>	<b>380,874,988</b>	<b>965,604,926</b>	<b>12,466,897</b>	<b>92,534,791</b>	<b>8,336,494</b>	<b>1,022,927,715</b>	<b>731,429,589</b>	<b>285,191,626</b>	<b>5,565,017,635</b>

(in euro)

	BREAKDOWN OF OTHER O.C.I. RESERVES*				
	Reserve for fair value adjustment of financial assets at fair value through other comprehensive income	Cash flow hedge reserve	Reserve Remeasurement for employee benefit	Tax effect	Total other O.C.I. Reserves
<b>Balance at 12/31/2023</b>	<b>4,201,278</b>	<b>29,311,206</b>	<b>2,104,293</b>	<b>(7,101,823)</b>	<b>28,514,954</b>
Other components of comprehensive income	9,821,838	(14,416,049)	(72,218)	3,477,184	(1,189,245)
Other changes	(1,741)	-	-	-	(1,741)
<b>Balance at 12/31/2024</b>	<b>14,021,375</b>	<b>14,895,157</b>	<b>2,032,075</b>	<b>(3,624,639)</b>	<b>27,323,968</b>
Other components of comprehensive income	(13,059,054)	(9,168,267)	48,591	2,188,722	(19,990,008)
Other changes	1,002,534	-	-	-	1,002,534
<b>Balance at 12/31/2025</b>	<b>1,964,855</b>	<b>5,726,890</b>	<b>2,080,666</b>	<b>(1,435,917)</b>	<b>8,336,494</b>

## CASH FLOW STATEMENT

(in euro)

	Note	2025	2024
Net income (loss) before taxes		285,189,094	281,082,627
Reversals of amortisation, depreciation, impairment losses	31	11,326,107	10,762,435
Reversal of accruals/releases	32	15,408,082	20,599,242
Reversal of (Financial income)/financial expenses	36	46,976,939	43,843,685
Reversal of Dividends	34	(308,500,334)	(342,923,547)
Reversal of (gain)/losses on investments	34	6,980,370	23,031,178
Change in Trade receivables	14	3,800,432	(6,038,770)
Change in Trade payables	22	2,055,426	1,066,805
Change in Other receivables	13	(7,343,279)	1,864,200
Change in Other payables	23	(24,328,254)	(20,850,196)
Change in Tax receivables/Tax payables	16	54,352,854	12,372,215
Use of Provisions for employee benefit obligations	21	(915,436)	(24,157)
Use of Other provisions	20	(5,345,907)	(9,730,378)
<b>A Net cash flows provided by/(used in) operating activities</b>		<b>79,656,095</b>	<b>15,055,339</b>
- of which related parties	39	153,431,329	123,027,737
Investments in property, plant and equipment	8	(316,769)	(1,018,288)
Investments in intangible assets	9	(3,185,007)	(1,552,315)
Disposal/(Acquisition) of investments in subsidiaries	10	(56,480,370)	-
Disposals /(Acquisition) of other non current financial assets at fair value through other comprehensive income	12	13,463,546	22,696
Repayment of share capital and reserves from associates	11	-	5,200,572
Dividends received	34	308,500,334	342,923,547
<b>B Net cash provided/(used) by investment activities</b>		<b>261,981,734</b>	<b>345,576,212</b>
- of which related parties	39	218,613,461	344,285,157
Change in Financial receivables	13	243,016,046	(105,369,600)
Financial income	35	83,825,534	88,512,713
Change in Borrowings from banks and other financial institutions due to draw down	19	-	1,200,000,000
Change in Borrowings from banks and other financial institutions due to repayments	19	(303,500,000)	(1,220,000,000)
Dividends paid	18	(250,000,000)	(198,000,000)
Financial expenses	36	(106,454,070)	(117,504,817)
Repayment of principal and payment of interest for lease liabilities	19	(8,482,812)	(8,252,864)
<b>C Net cash provided/(used) by financing activities</b>		<b>(341,595,304)</b>	<b>(360,614,568)</b>
- of which related parties	39	333,511,070	2,998,058
<b>D Total net cash generated/(used) in the year (A+B+C)</b>		<b>42,525</b>	<b>16,982</b>
<b>E Opening balance of Cash and cash equivalents</b>		<b>51,426</b>	<b>34,444</b>
<b>F Closing balance of Cash and cash equivalents (D+E)</b>		<b>93,951</b>	<b>51,426</b>

# EXPLANATORY NOTES

## 1. GENERAL INFORMATION

Pirelli & C. S.p.A. (hereinafter also the “Company” or the “Parent Company”) is a corporation organised under the laws of the Republic of Italy.

Founded in 1872, it is a holding company that manages, coordinates and funds the activities of subsidiaries (hereinafter Pirelli Group).

The registered office of the Company is in Viale Piero e Alberto Pirelli 25 – Milan.

The audit of the financial statements is entrusted to PricewaterhouseCoopers S.p.A. pursuant to Legislative Decree January 27, 2010 no. 39 and in execution of the resolution of the shareholders’ meeting of August 1, 2017, which assigned the mandate to this company for each of the nine financial years ending from December 31, 2017 to December 31, 2025.

On June 16, 2023, the Presidency of the Council of Ministers adopted a measure containing certain provisions relating to the corporate governance of Pirelli (the “**DPCM Golden Power**”). These provisions, addressed both to the shareholder China National Tire & Rubber Corporation Ltd (the “**CNRC**”) and to Pirelli itself, entail, amongst other things, the obligation to adopt both “structural safeguards that are independent of the temporary nature of the shareholders’ agreement” and “a set of measures operating overall to safeguard the autonomy of Pirelli & C. S.p.A. and its management, as well as to protect the information of strategic relevance held by the Company.”

The DPCM Golden Power prohibits CNRC from exercising any activity of direction and coordination over Pirelli pursuant to Articles 2497 et seq. of the Italian Civil Code and requires it, amongst other things and by way of example only:

- (i) to ensure full autonomy for Pirelli with regard to the management of relations with customers and suppliers;
- (ii) to ensure that Pirelli independently prepares the strategic, industrial and financial plans and/or the budget of the Company and of the Group;
- (iii) to ensure that Pirelli is not subject to instructions from the Sinochem Group;
- (iv) to not adopt acts, resolutions or communications that may give rise to the view that the decisions of Pirelli are the consequence of an imposing and imperative will of CNRC;
- (v) to not centralise treasury services or other financial assistance or coordination functions (e.g. cash pooling), nor other technical coordination functions (e.g. the integration of Pirelli’s IT systems into those of Sinochem Holdings Corporation Ltd., including those of Pirelli’s Chinese subsidiaries);

- (vi) to not issue directives or instructions, and in any case to not coordinate initiatives, concerning decisions relating to Pirelli’s financial and credit matters and its research and development activities;
- (vii) to not issue directives regarding the carrying out of extraordinary transactions by Pirelli, such as, for example, the listing of financial instruments, acquisitions, disposals, concentrations, contributions, mergers, or demergers;
- (viii) to not adopt decisions determining Pirelli’s operational strategies, nor to formulate group-level strategic directives;
- (ix) to ensure the absence of organisational-functional links between Pirelli on the one hand and CNRC on the other.

The DPCM Golden Power further requires CNRC to undertake that:

- (i) the Chief Executive Officer of Pirelli, drawn from the majority list submitted by CNRC, is appointed by Camfin;
- (ii) of the 12 Directors drawn from the majority list, 4 are designated by Camfin;
- (iii) the position of General Manager is introduced, to whom the power to implement the business plan, the budget, and the ordinary management of Pirelli is delegated;
- (iv) all delegated bodies of Pirelli are selected exclusively from among the Directors appointed by Camfin;
- (v) the power to appoint and remove Pirelli’s Directors and Vice Directors is entrusted to the Executive Vice President or to the Chief Executive Officer;
- (vi) the articles of association of Pirelli are amended so that, with respect to board resolutions concerning assets of strategic relevance (as identified by the DPCM Golden Power) and the appointment and removal of executives with strategic responsibilities, the proposal is reserved to the Chief Executive Officer, and any decision contrary thereto may only be adopted with the opposing vote of at least four-fifths of the Board of Directors (thus conferring a veto power on such resolutions to the directors appointed by Camfin).

As a consequence of the above, the majority of Pirelli’s Board of Directors is currently composed of independent Directors, and also the majority of the Directors drawn from the list submitted by CNRC (8 out of 12) consists of independent Directors or Directors directly appointed by Camfin, thereby limiting to 4 (four) the Directors (without executive functions) “*non-independent*” appointed by CNRC, who, in turn, must comply with the requirements set forth by the DPCM Golden Power, including the requirement to “*ensure the absence of organisational-functional links between Pirelli, on the one hand, and CNRC, on the other.*”

The adoption of the DPCM Golden Power made it necessary to carry out a series of analyses aimed at verifying the continued existence of Marco Polo International Italy s.r.l. (“**MPI Italy**”) control over Pirelli pursuant to the international accounting standard IFRS 10 “*Consolidated Financial Statements.*” In this

regard, a query was submitted to CONSOB on February 15, 2024 (“**Query**”) by the Board of Statutory Auditors together with management. On July 31, 2024, CONSOB, following the procedure initiated as a consequence of the Query, has: (a) communicated to Pirelli the relevant outcomes, providing that the Board of Directors of the Company has the obligation to carry out an assessment as to the existence or otherwise of a controlling entity pursuant to IFRS 10; (b) recalled the undertaking required by the DPCM Golden Power on the part of CNRC not to exercise direction and coordination and, therefore, the undertaking not to provide guidance to the Directors; (c) emphasised the mandatory nature of certain provisions of the same DPCM regarding the role of Camfin S.p.A. (for example, with respect to the appointment of the Chief Executive Officer, who proposes the strategic plan, and the expression of the Executive Vice President, who outlines the strategies), which strengthen the autonomy of the Company’s Board of Directors and “*prevent the shareholder [MPI Italy] from having the capacity – even if not exercised – to influence the relevant decisions of the Issuer.*”

The Company has conducted in-depth analyses with the assistance of opinions from leading audit firms regarding the correct application of IFRS 10, as well as additional opinions received from external legal advisers, and has taken into account the further documentation submitted in the proceeding initiated by CONSOB following the Query, including that (comprising memoranda and opinions) submitted by the other parties involved, MPI Italy and Camfin S.p.A. (“**Camfin S.p.A.**”).

In carrying out these analyses, in order to assess the existence of control by a party pursuant to IFRS 10, the Company focused on the three requirements set forth by that standard, namely whether a party simultaneously has (i) power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee, and (iii) the ability to exercise its power over the investee to affect the amount of its returns.

In particular, focusing on the first requirement, the Company analysed the decisions that are generally representative of the exercise of an investor’s power over another entity, indicating for each of them the potential ability of MPI Italy to unilaterally make such decisions through the rights deriving from the 2023 Renewal Shareholders’ Agreement, as amended to reflect the provisions of the DPCM Golden Power. The results of these analyses for each decision are set out below:

- Appointment and removal of executive Directors (Executive Vice President and Chief Executive Officer): the two Directors with executive powers have been assigned, the first by the parties upon nomination by Camfin and the second by express provision of the DPCM Golden Power, on the indication of Camfin. The removal or replacement of the Chief Executive Officer may occur only upon proposal by the Executive Vice President (a Camfin-appointed party), who is also delegated to propose a replacement, who must be a director appointed by Camfin.
- Preparation of the budget and business plan and any significant amendments to be submitted for approval by the Board of Directors: the proposal to the Board of Directors of the budget and business plan, as well as any amendments thereto, must be formulated by the Chief Executive Officer, appointed by Camfin. The Board of

Directors has the sole authority to approve the proposal of the Chief Executive Officer or to cast a dissenting vote, providing adequate reasoning and taking into account the best interests of Pirelli. Although MPI Italy has the right to appoint the majority of the Directors (four of whom are, moreover, ‘independent’), MPI Italy’s right to provide guidance to the Directors it has appointed is severely limited by the provisions of the DPCM Golden Power; accordingly, MPI’s rights do not appear to constitute substantive rights, in accordance with the provisions of IFRS 10.

- Appointment and removal of executives with strategic responsibilities: the appointment or removal of executives with strategic responsibilities must be proposed by the Chief Executive Officer, and any resolution contrary to such a proposal requires the favourable vote of at least four-fifths of the members of the Board of Directors—a qualified quorum exceeding the number of Directors appointed by MPI Italy.
- Matters reserved to the Board of Directors: although the 2023 Shareholders’ Agreement provides that certain decisions are to be taken by the Board of Directors by simple majority and therefore potentially by MPI Italy through its appointed Directors, this right is strongly limited by the provisions of the DPCM Golden Power. Accordingly, MPI’s rights do not appear to constitute substantive rights, in accordance with the provisions of IFRS 10.
- Decisions relating to Pirelli’s strategic assets, as identified by the DPCM Golden Power: in accordance with the provisions of the DPCM Golden Power, the Company’s articles of association provide that, with respect to board resolutions concerning assets of strategic relevance as identified by the DPCM, the proposal is reserved to the Chief Executive Officer, and any decision contrary to such a proposal requires the favourable vote of at least four-fifths of the members of the Board of Directors—a qualified quorum exceeding the number of Directors appointed by MPI Italy.

Furthermore, the Company has considered that, in the aforementioned measure, CONSOB had requested that the Board of Directors assess, for the purposes of subsequent decisions on the continuation of control, whether MPI Italy possessed the actual capacity to dismiss the management body in the event of disagreement with the Board of Directors regarding the strategic directions adopted and, ultimately, the returns generated by the investee. In this regard, the Company has assessed that in the ordinary shareholders’ meetings held from 2018 to 2023, attendance exceeded 80%, and in the 2024 meeting it was 88%, which does not allow MPI Italy to determine the outcome of the meeting autonomously and to dismiss the entire management body, nor, in any case, can MPI Italy influence, pursuant to the DPCM Golden Power and the Shareholders’ Agreement between Camfin and CNRC, the appointment and removal of the Company’s delegated bodies, which are assigned to Camfin.

On the basis of all these considerations, it follows that the issuance of the DPCM Golden Power has resulted **in the cessation of MPI Italy’s unilateral control (and, consequently, that of Sinochem) over Pirelli pursuant to IFRS 10, and at the same time, Pirelli is not, under the aforementioned accounting standard, subject to the unilateral control of any party.**

The Board of Directors approved these Separate Financial Statements on April 16, 2026 and authorised their publication.

## 2. BASIS FOR PREPARATION

These Financial Statements have been prepared on a going concern assumption since the Directors have verified the absence of financial, operational or other types of indicators that could indicate critical issues regarding the ability of the Company to meet its obligations in the foreseeable future and in particular in the next 12 months. The description of the ways in which the Company manages financial risks is contained in Chapter 4 Financial risk management policy and Chapter 6 Capital management policy of these Explanatory Notes.

In application of Legislative Decree of February 28, 2005, no. 38, "Exercise of the options provided for by article 5 of regulation (EC) no. 1606/2002 on international accounting standards", issuers are required to prepare not only the consolidated financial statements but also the financial statements of the Company in compliance with the international accounting standards (IFRS) issued by the International Accounting Standards Board (IASB) and published in the Official Journal of the European Community (GUCE).

IFRS include all International Financial Reporting Standards, International Accounting Standards (IAS), all interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly the Standing Interpretations Committee (SIC).

The financial statements have been prepared in accordance with the historical cost criterion. The following items are instead measured at fair value:

- derivative financial instruments;
- other financial assets at fair value recorded in the other components of the comprehensive income statement;
- other financial assets at fair value through the income statement.

### FINANCIAL STATEMENTS

The separate Financial Statements at December 31, 2025 consist of the Statement of Financial Position, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Explanatory Notes, and are accompanied by the Directors' Report on Operations. A single Directors' report has been prepared, which also contains information relating to the Parent Company.

The format adopted for the Statement of Financial Position classifies assets and liabilities as current and non-current.

The Company has opted to present the components of profit/loss for the year in a separate Income Statement, rather than include these components directly in the Comprehensive Income Statement. The income statement format adopted classifies costs by nature.

The Company opted for the presentation of the tax effects and reclassifications to the income statement of profits/losses recognised among the other components of the

Comprehensive Income Statement in previous years directly in the Comprehensive Income Statement and not in the explanatory notes.

The Statement of Changes in Equity includes, in addition to the total gains/losses of the period, the amounts from transactions with equity holders and the changes in reserves during the year.

In the Cash Flow Statement, the cash flows deriving from operating activities are presented using the indirect method, according to which the profit or loss for the period is adjusted by the effects of non-monetary items, by any deferment or accrual of past or future operating receipts or payments, and by any revenue or cost items connected with the cash flows arising from investing activities or financing activities.

It shall also be noted that the Group has applied the provisions of Consob Resolution no. 15519 of July 27, 2006 in regard to the formats of financial statements and Consob Notice no. 6064293 of July 28, 2006 in regard to corporate disclosure.

In order to provide greater clarity and comparability of the financial statement items, the amount of the corresponding items of the previous year were adjusted where necessary.

All amounts included in the Notes, unless otherwise specified, are in euro thousands.

## 3. ACCOUNTING STANDARDS

The accounting standards used in the preparation of separate financial statements are the same as those used for the purposes of preparing the consolidated financial statements where applicable, except as indicated below.

### INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Investments in subsidiaries and associates are recorded at cost, net of any impairment losses.

In the presence of specific impairment indicators, the value of investments in subsidiaries and associates, determined based on the historical cost basis, is tested for impairment.

The main indicators are the following:

- the carrying amount of the investment in the separate financial statements exceeds the carrying amount of the investee's net assets (inclusive of any associates goodwill) expressed in the consolidated financial statements;
- the dividend distributed by the investee exceeds the total comprehensive income of the investee company in the year to which the dividend refers;
- the operating result achieved by the investee company is significantly lower than the amount envisaged in the management plan;
- there are expectations of significantly decreasing operating results for future years;
- existence of changes in the technological, market, economic or regulatory environment in which the investee operates that may generate significant negative economic effects on the company's results.

The impairment test consists of comparing the carrying amount and the recoverable value of the investment.

If the recoverable amount of an investment is lower than the carrying amount, the latter is reduced to the recoverable amount. This reduction constitutes an impairment loss recognised in the Income Statement. In the event that the loss pertaining to the Company exceeds the carrying amount of the investment and the subsidiary is obliged to fulfil legal or implicit obligations of the subsidiary or however to cover its losses, any excess with respect to the carrying amount is recognised in a specific provision of liabilities under the provisions for risks and charges.

The recoverable amount of an investment is identified as the greater of fair value, less costs to sell, and value in use.

For the purposes of impairment testing, the fair value of an investment in a subsidiary or associate with shares listed on an active market is always equivalent to its market value, irrespective of the percentage of ownership. In the case of investments in unlisted companies, the fair value is determined using estimates based on the best information available.

For the purposes of determining the value in use of a subsidiary and associated company, an estimate is made of the future net operating cash flows discounted, net of the net financial position of the company considered at the reference date of the estimate (Discounted Cash Flow criterion – Asset side). The value in use reflects the effects of factors that may be entity specific, factors that may not be applicable to any entity.

If the reason for impairment ceases to exist, the carrying amount of the investment is recorded in the Income Statement, up to the original cost.

### **IMPAIRMENT OF FINANCIAL RECEIVABLES FROM SUBSIDIARIES AND ASSOCIATES**

The calculation of the impairment of financial receivables from subsidiaries and associates is made with reference to the expected losses in the following twelve months. This calculation is based on a matrix that includes the ratings of companies provided by independent market operators. In the event of a significant increase in the credit risk subsequent to the origin date of the receivable, the expected loss is calculated with reference to the entire life of the receivable. The Company assumes that the credit risk related to a financial instrument has not increased significantly after initial recognition, if it is determined that the financial instrument has a low credit risk at the reporting date.

The Company assesses whether there has been a significant increase in credit risk when the counterparty rating, attributed by independent market operators, undergoes a change that shows an increase in the probability of default. The Company considers a financial asset in default when internal or external information indicates that it is unlikely that the Company will receive the entire contracted amount overdue.

### **DIVIDENDS**

Dividend income is recorded in the Income Statement when the right to receive payment is established, which normally corresponds to the resolution approved by the Shareholders' Meeting for the distribution of dividends.

### **INTERNATIONAL TAX REFORM – PILLAR TWO MODEL**

The Organisation for Economic Co-operation and Development (OECD) published the new tax rules (GloBE rules) of European origin of the Pillar Two model for the implementation of the Global Minimum Tax, in order to ensure that large multinational corporations are subject to a minimum tax rate of 15%. The Pillar Two rules have been adopted by several jurisdictions in which the Group operates and are applicable from January 1, 2024.

With reference to the Pillar Two legislation, it is noted that the related taxes for the financial statements at December 31, 2025 were determined taking into account that Pirelli & C. S.p.A. is the Ultimate Parent Entity (UPE) of the Group.

Pillar Two legislation provides for the possibility of applying a simplified regime (Transitional Safe Harbours test, also known as "TSH"), based primarily on accounting information available for each relevant jurisdiction. If at least one of the three tests is met, this reduces compliance costs and eliminates Pillar Two taxes.

The Group has decided to opt for the aforementioned TSH and, based on the 2025 data submitted by the individual subsidiaries for consolidation purposes, at least one of the related tests (i.e. de minimis test, simplified ETR test and routine profit test) has been passed for each individual country in which the Group is located. The exceptions are Hungary and Egypt, countries for which the Group cannot opt for TSH but from which no material exposure of the Group to Pillar Two taxes emerges.

In light of the above, the Company has not accounted for any taxes for Pillar Two purposes.

With regard to the accounting for deferred taxes arising from the aforementioned new tax rules, the Company will avail itself of the temporary exception provided for by IAS 12 as of December 31, 2025.

### 3.1 ACCOUNTING STANDARDS AND INTERPRETATIONS ENDORSED AND IN FORCE FROM JANUARY 1, 2025

In accordance with IAS 8 “Accounting standards, changes in accounting estimates and errors”, the IFRS effective from January 1, 2025 are indicated below:

- Amendments to IAS 21 - The effects of changes in exchange rates: lack of exchangeability.  
Said amendments clarify when a currency is exchangeable for another currency and, consequently, when it is not. When a currency is not exchangeable with another, said amendments define how the exchange rate to be applied is determined. The amendments also specify the disclosure to be provided when a currency is not exchangeable.  
There are no impacts on the Company’s financial statements as a result of these amendments.

### 3.2 INTERNATIONAL ACCOUNTING STANDARDS AND/OR INTERPRETATIONS ISSUED BUT NOT YET IN FORCE IN 2025

Pursuant to IAS 8 “Accounting standards, changes in accounting estimates and errors”, the following are the new Standards or Interpretations that have been issued but have not yet come into force or have not yet been endorsed by the European Union at December 31, 2025, and which are therefore not applicable, and the foreseeable impacts on the Separate Financial Statements.

None of these Standards and Interpretations have been adopted by the Group, and thus by the Company in advance.

- Amendments to IFRS 9 and IFRS 7 – Amendments to the classification and measurement of financial instruments. These changes concern 3 areas:
  1. Classification of financial assets with ESG characteristics:  
The amendments clarify and provide further guidance on how to assess whether financial assets with environmental, social and governance (ESG) characteristics meet the “payments of principal and interest only” (SPPI) criterion, helping to determine whether such assets should be measured at amortised cost or fair value;
  2. Derecognition of financial liabilities settled through electronic payment systems.  
The amendment introduces the option to derecognise financial liabilities settled through electronic payment systems before the settlement date, provided that the entity making the payment does not have:
    - the practical possibility of withdrawing, stopping or cancelling the payment instruction;
    - the practical possibility of accessing liquidity;
    - a significant settlement risk.

This exception does not apply to other payment methods, such as checks, and must be chosen for each payment system used;

3. New disclosure obligations relating to:

- equity instruments measured at fair value through other comprehensive income: changes in fair value recognised in other comprehensive income must be divided between those relating to securities sold during the period and those relating to securities still held at the reporting date;
- instruments with contractual clauses that may modify cash flows as a result of events not directly linked to changes in underlying credit risks (such as, for example, some instruments with features linked to the achievement of ESG objectives). These new requirements apply to both financial assets measured at fair value through other comprehensive income and financial assets and liabilities measured at amortised cost, and include:
  - a qualitative description of the nature of the event;
  - quantitative information about possible variations in contractual cash flows – for example, the range of possible variations; and
  - the gross carrying amount of financial assets and the amortised cost of financial liabilities subject to such contractual provisions.

Said amendments have been endorsed by the European Union and will be applicable from January 1, 2026. No impacts are expected on the Company’s financial statements, since:

- the Company does not hold financial assets with ESG characteristics;
  - the Company is evaluating whether to avail itself of the option provided for payments using electronic systems;
  - Additional disclosures required for financial liabilities measured at amortised cost are already included in the notes.
- Amendments to IFRS 9 and IFRS 7 - Contracts for Electricity from Natural Sources  
Said amendments:
- introduce guidelines for determining whether electricity purchase contracts from natural sources fall within the definition of “own use” contracts. In particular, the amendments clarify that such contracts fall within the definition of “own use” contracts if the entity is and expects to continue to be a “net purchaser” of electricity for a maximum period of 12 months, i.e. if it purchases sufficient electricity to offset sales of unused electricity on the same reference market;
  - introduce an exception to the IFRS 9 requirement that a future transaction must be highly probable to be designated as a hedged item in a hedging relationship;
  - require additional disclosures for physical “Power Purchase Agreements” accounted for as “own use” contracts.

These amendments, which will come into force on January 1, 2026, have been approved by the European Union. The impact of these changes on the Company's financial statements is being analysed and will primarily relate to the additional disclosures required.

- Annual improvements Volume 11 (issued July 2024)  
These amendments provide minor clarifications regarding the following principles:
  - IFRS 1 First-time adoption of International Financial Reporting Standards;
  - IFRS 7 Financial instruments: Additional information and related Guide to the application of IFRS 7;
  - IFRS 9 Financial instruments;
  - IFRS 10 Consolidated Financial Statements;
  - IAB 7 Cash Flow Statement.

These amendments, which will come into force on January 1, 2026, have been approved by the European Union. There were no impacts on the Company's financial statements as a result of these amendments.

- IFRS 18 - Presentation and Disclosure of Financial Statements  
The key points of the new standard are as follows:
  - Income statement structure: all income and expense items must be classified into five categories and grouped into three subtotals. The standard provides precise indications on the classification of the various items within each category;
  - definition of Management Performance Measures (MPM), i.e. performance indicators defined by management and used in public communications. These indicators must be explained in detail in the notes and a reconciliation with the comparable subtotals specified by IFRS must be provided;
  - guidance on how to aggregate and disaggregate information: items with similar characteristics should be aggregated, while items with dissimilar characteristics should be disaggregated.

This amendment, which will come into force on January 1, 2027, has not yet been approved by the European Union. To assess the impact of this principle on the Company's financial statements, an assessment project is currently underway that will highlight the impacts on the classification of income statement items, as well as on information systems.

- IFRS 19 – Disclosures of subsidiaries not publicly responsible and related amendments published in August 2025  
The new standard reduces and simplifies the disclosure requirements for the separate IFRS financial statements of those companies that have a parent that prepares consolidated financial statements under IFRS, with operational relief and lower costs. Entities that can apply IFRS 19 are those whose equity or debt instruments are not traded in a public market.  
This amendment, which will come into force on January 1, 2027, has not yet been approved by the European Union. The impact on the financial statements of subsidiaries that apply IFRS principles in separate financial statements is currently being analysed.

## 4. FINANCIAL RISK MANAGEMENT POLICY

The measurement and management of the financial risks of Pirelli & C. S.p.A. are consistent with as defined by the Group policies.

The Pirelli Group is exposed to financial risks. These are principally associated with foreign exchange rates, fluctuations in interest rates, the price of financial assets held as investments, the ability of customers to meet their obligations to the Group (credit risk), and raising funds on the market (liquidity risk).

Financial risk management is an integral part of Group business management and is handled directly by the headquarters in accordance with guidelines issued by the Finance Department on the basis of general risk management strategies defined by the Managerial Risk Committee.

The main financial risk categories to which the Company is exposed are shown below:

### EXCHANGE RATE RISK

This risk is generated by the commercial and financial transactions that are executed in currencies other than euro. Exchange rate fluctuations between the time when the commercial or financial relationship is established and when the transaction is completed (collection or payment) may generate foreign exchange gains or losses.

The Group aims to minimise the impact of transaction exchange rate risk related to volatility. To achieve this objective, Group procedures make the Operating Units responsible for collecting complete information about the assets and liabilities that are subject to transaction exchange rate risk. This risk is hedged with forward contracts made with the Group Treasury.

The items subject to exchange rate risk are mainly represented by receivables and payables denominated in foreign currency.

The Group Treasury is responsible for hedging the net position for each currency and, in accordance with established guidelines and restrictions, it closes all risk positions by trading derivative contracts on the market, which typically take the form of forward contracts.

The Group has decided not to opt for hedge accounting pursuant to IFRS 9, insofar as the representation of the economic and financial effects of the hedging strategy on foreign exchange rate risk is still substantially guaranteed even without adopting such option.

Furthermore, it shall be noted that as part of the annual and three-year planning process, exchange rate forecasts are made using the best information available on the market. The fluctuation in exchange rates between the time when the forecast is made and the time when the commercial or financial transaction occurs represents the exchange rate risk on future transactions.

From time to time, the Group assesses the need to engage in hedging transactions on future transactions for which it typically uses both forward and optional purchase or sale transactions such as risk reversal (i.e., zero cost collar). Hedge accounting in accordance with IFRS 9 is referred to when the conditions are met.

### INTEREST RATE RISK

Interest rate risk is the risk that the fair value or the future cash flows of a financial asset or liability will change due to fluctuations in market interest rates.

The Group assesses based on market circumstances whether to enter into derivative contracts, typically interest rate swaps, to hedge for which hedge accounting is activated when the conditions set out in IFRS 9 are fulfilled.

The following is an outline of the effects on the Company's net result arising from an increase or decrease of 0.50% in the level of interest rates, with all other conditions being equal:

(in thousands of euro)

	+0.5%		-0.5%	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Impact on Net income (loss)	(1,495)	(2,838)	1,495	2,838

The effects on the Company shareholders' equity resulting from changes in the EURIBOR rate calculated on the interest rate hedging instruments outstanding at December 31, 2025 are described in note 17 "Derivative financial instruments". The Company has not implemented derivatives or other optional structures that impact the linearity of the rate sensitivities on the debt.

### RISK OF FAILURE TO ACHIEVE THE SUSTAINABILITY OBJECTIVES SET IN BANK FINANCING AND BOND LOANS

As reported in note 19 "Payables to banks and other lenders", to which reference is made for further details, the Company has "sustainable" bank lines in place for euro 1.8 billion, of which euro 1.2 billion used at December 31, 2025 and euro 0.6 billion available in the form of committed revolving credit facilities as well as bonds linked to sustainability objectives (Sustainability Linked Bonds, SLB) for euro 1.2 billion.

Failure to achieve these objectives would result in an increase in the contractually agreed interest rate and consequently an increase in financial expenses and future cash flows compared to what would be expected with the achievement of the sustainability objectives, which is not material for the Company.

### PRICE RISK ASSOCIATED WITH FINANCIAL ASSETS

The Company is exposed to price risk, which is limited to the volatility of financial assets such as listed and unlisted stocks and bonds; these assets are classified as financial assets at fair value recorded as other components of the statement of comprehensive income.

Derivatives hedges are not set up to limit the volatility of these assets.

Financial assets at fair value recorded as other components of the statement of comprehensive income consist of listed securities amounted to euro 24,324 thousand at December 31, 2025 (euro 21,929 thousand at December 31, 2024) and those represented by securities indirectly associated with listed shares (Fin. Priv. S.r.l.) were zero at December 31, 2025 (euro 29,297 thousand at December 31, 2024) as the company Fin. Priv. S.r.l. was liquidated during the financial year; these financial assets represent 72% of total financial assets subject to price risk; a +5% price change in the above listed securities, other things being equal, would result in a positive change of euro 1,216 thousand of the Company's shareholders' equity (positive for euro 1,096 thousand at December 31, 2024), while a -5% negative change of these listed securities, other things being equal, would result in a negative change of euro 1,216 thousand of the Company's shareholders' equity (negative for euro 1,096 thousand at December 31, 2024).

## CREDIT RISK

Credit risk represents the Company's exposure to contingent losses resulting from default by commercial and financial counterparties.

The Company's exposure to commercial and financial obligations is mainly towards Group companies.

To limit the risk for commercial obligations towards third parties, the Company has implemented procedures to evaluate its customers' potential and financial solidity, for the monitoring of expected cash flows and taking credit recovery action if necessary. The Company operates only with highly rated financial counterparties for the management of its temporary cash surpluses and constantly monitors its exposure to individual counterparties.

The Company does not hold public debt instruments from any European country and constantly monitors its net credit exposure to the banking system.

Liquidity is deposited according to risk diversification principles and in compliance with minimum rating levels.

## LIQUIDITY RISK

Liquidity risk represents the risk that the financial resources available are insufficient to meet the financial and commercial obligations pursuant to the contractual terms and conditions.

The principal instruments used by the Group to manage liquidity risk are comprised by its annual and three-year financial and cash-pooling plans. These allow complete and fair detection and measurement of incoming and outgoing

cash flows. The differences between plans and actual data are constantly analysed.

The Group has implemented a centralised cash pooling system for the management of collection and payment flows in compliance with various local currency and tax laws. Banking relationships are negotiated and managed centrally, in order to ensure coverage of short and medium-term financial needs at the lowest possible cost. The procurement of medium and long-term resources on the capital market is also streamlined through centralised management.

Prudent management of the risk described above requires maintaining an adequate level of cash or cash equivalents and/or highly liquid short-term financial instruments, and the availability of funds through an adequate amount of committed credit facilities and/or recourse to the capital market, while diversifying the products and their maturities to seize the best available opportunities.

Furthermore, the Group adopts an extremely prudent approach with respect to the maturities of its financial debt, with refinancing well in advance in order to minimise the risks associated with liquidity crises or market shut-downs.

At December 31, 2025, the Company has, in addition to liquidity equal to euro 94 thousand (euro 51 thousand at December 31, 2024), an interest-bearing current account with Pirelli International Treasury S.p.A. equal to euro 305,057 thousand (euro 249,719 thousand at December 31, 2024), classified as current financial receivables and unused credit lines equal to euro 600,000 thousand (euro 600,000 thousand at December 31, 2024).

The **maturities of financial liabilities at December 31, 2025** may be broken down as follows:

(in thousands of euro)

	12/31/2025				
	up to 1 year	from 1 to 2 years	from 2 to 5 years	over 5 years	Total
Payables to banks and other lenders	93,168	679,723	1,950,460	-	2,723,350
<i>of which lease liabilities:</i>	8,482	8,240	13,152	-	29,874
Trade payables	33,604	-	-	-	33,604
Other payables	69,608	965	-	-	70,573
Derivative financial instruments	8	-	-	-	8
<b>Total</b>	<b>196,389</b>	<b>680,688</b>	<b>1,950,460</b>	-	<b>2,827,535</b>

The **maturities of financial liabilities at December 31, 2024** may be broken down as follows:

(in thousands of euro)

	12/31/2024				
	up to 1 year	from 1 to 2 years	from 2 to 5 years	over 5 years	Total
Payables to banks and other lenders	610,270	396,138	2,585,199	-	3,591,607
<i>of which lease liabilities:</i>	8,322	8,226	20,593	-	37,141
Trade payables	30,534	-	-	-	30,534
Other payables	77,043	95	-	-	77,138
Derivative financial instruments	8	-	-	-	8
<b>Total</b>	<b>717,855</b>	<b>396,233</b>	<b>2,585,199</b>	-	<b>3,699,287</b>

## 5. INFORMATION ON FAIR VALUE

### 5.1 FAIR VALUE MEASUREMENT

In relation to financial instruments measured at fair value, the following table shows the classification of these instruments on the basis of the hierarchy of levels pursuant to IFRS 13, reflecting the significance of the inputs used in determining the fair value. The levels are as follows:

- level 1 – unadjusted quotations recorded on an active market for assets or liabilities subject to valuation;
- level 2 – inputs different from the aforesaid prices quoted at the preceding level, which are observable on the market either directly (as in the case of prices) or indirectly (because they are derived from prices);
- level 3 – inputs that are not based on observable market data.

The fair value of financial instruments traded on active markets is based on the price quotations published at the reporting date. These instruments, included in level 1, mainly include equity investments classified as financial assets at fair value recorded in the other components of the comprehensive income statement.

The fair value of financial instruments not traded on active markets (e.g. derivatives) is measured by means of techniques that maximise the use of observable and available market data, using widely applied financial measurement techniques:

- market prices for similar instruments;
- The fair value of interest rate swaps is calculated by discounting estimated future cash flows based on observable yield curves;
- The fair value exchange rate derivatives (forward contracts) is determined by using the forward exchange rate at the reporting date.

The fair value of unlisted equity securities classified in level 3 of the Fair Value hierarchy is determined primarily on the basis of data from the latest available financial statements.

The following table shows **assets and liabilities measured at fair value as at December 31, 2025**, divided into the three levels defined above:

(in thousands of euro)

	Note	12/31/2025	Level 1	Level 2	Level 3
<b>FINANCIAL ASSETS</b>					
<b>Other financial assets at fair value through income statement</b>					
Current derivative financial instruments	17	5	-	5	-
<b>Other financial assets at fair value through other comprehensive income</b>					
Equities and shares	12	34,018	24,324	-	9,694
Investment funds	12	-	-	-	-
<b>Derivative hedging instruments</b>					
Non-current derivative financial instruments	17	-	-	-	-
Current derivative financial instruments	17	499	-	499	-
<b>TOTAL ASSETS</b>		<b>34,522</b>	<b>24,324</b>	<b>504</b>	<b>9,694</b>
<b>FINANCIAL LIABILITIES</b>					
<b>Financial liabilities at fair value through profit or loss</b>					
Current derivative financial instruments	17	(8)	-	(8)	-
<b>Derivative hedging instruments</b>					
Non-current derivative financial instruments	17	-	-	-	-
Current derivative financial instruments	17	-	-	-	-
<b>TOTAL LIABILITIES</b>		<b>(8)</b>	<b>-</b>	<b>(8)</b>	<b>-</b>

The **breakdown at December 31, 2024** was as follows:

(in thousands of euro)

	Note	12/31/2024	Level 1	Level 2	Level 3
<b>FINANCIAL ASSETS</b>					
<b>Other financial assets at fair value through income statement</b>					
Current derivative financial instruments	17	33	-	33	-
<b>Other financial assets at fair value through other comprehensive income</b>					
Equities and shares	12	60,548	21,929	29,297	9,322
Investment funds	12	-	-	-	-
<b>Derivative hedging instruments</b>					
Non-current derivative financial instruments	17	4,264	-	4,264	-
Current derivative financial instruments	17	-	-	-	-
<b>TOTAL ASSETS</b>		<b>64,845</b>	<b>21,929</b>	<b>33,594</b>	<b>9,322</b>
<b>FINANCIAL LIABILITIES</b>					
<b>Financial liabilities at fair value through profit or loss</b>					
Current derivative financial instruments	17	(8)	-	(8)	-
<b>Derivative hedging instruments</b>					
Non-current derivative financial instruments	17	-	-	-	-
Current derivative financial instruments	17	-	-	-	-
<b>TOTAL LIABILITIES</b>		<b>(8)</b>	<b>-</b>	<b>(8)</b>	<b>-</b>

The following table shows the **changes of financial assets that occurred in level 3**:

(in thousands of euro)

	12/31/2025	12/31/2024
<b>Opening balance</b>	<b>9,322</b>	<b>9,010</b>
Fair value adjustments through other comprehensive income	372	312
<b>Closing balance</b>	<b>9,694</b>	<b>9,322</b>

These financial assets mainly consist of the equity investment in Istituto Europeo di Oncologia (European Institute of Oncology) (euro 8,905 thousand).

In the year ended December 31, 2025, there were no transfers from level 1 to level 2 and vice versa, nor from level 3 to other levels and vice versa.

## 5.2 CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

The following are the carrying amounts for each class of financial asset and liability identified by IFRS 9:

(in thousands of euro)

	Note	12/31/2025	12/31/2024
<b>FINANCIAL ASSETS</b>			
<b>Financial assets at fair value through Income Statement</b>			
Current derivative financial instruments	17	5	33
<b>Financial assets at amortized cost</b>			
Other non-current receivables	13	1,402,812	387
Current trade receivables	14	57,928	61,647
Other current receivables	13	333,787	1,997,594
Cash and cash equivalents	15	94	51
		1,794,621	2,059,679
<b>Financial assets at fair value through Other Comprehensive Income</b>			
Financial assets at fair value through Other Comprehensive Income	12	34,018	60,548
<b>Derivative hedging instruments</b>			
Current derivative financial instruments	17	499	-
Non-current derivative financial instruments	17	-	4,264
		499	4,264
<b>TOTAL FINANCIAL ASSETS</b>		<b>1,829,143</b>	<b>2,124,524</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Financial liabilities at fair value through Income Statement</b>			
Current derivative financial instruments	17	8	8
<b>Financial liabilities at amortized cost</b>			
Non-current borrowings from banks and other financial institutions (excl. Lease payables)	19	2,390,274	2,686,300
Current borrowings from banks and other financial institutions (excl. Lease payables)	19	40,085	541,207
Current trade payables	22	33,604	30,534
Other non-current payables	23	965	95
Other current payables	23	69,608	77,043
		2,534,536	3,335,179
<b>Lease payables</b>			
Non-current lease payables	19	20,722	27,208
Current lease payables	19	7,525	7,087
		28,247	34,295
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>2,562,790</b>	<b>3,369,482</b>

## 6. CAPITAL MANAGEMENT POLICY

The Company's objective is to maximise the return on net invested capital while maintaining the ability to operate over time, ensuring adequate returns for its shareholders and benefits for the other stakeholders, as also outlined in the section relating to the "Outlook in 2026" in the Directors' Report on Operations.

## 7. ESTIMATES AND ASSUMPTIONS

The preparation of the Separate Financial Statements entails Management making estimates and assumptions which, under certain circumstances, are based on difficult and subjective assessments and estimates that are based on historical experience, and assumptions that are periodically considered reasonable and realistic in light of the circumstances. Therefore, the actual results achieved may differ from said estimates. Estimates and assumptions are reviewed periodically and the effects of any changes made to them are reflected in the Income Statement in the period in which the estimate is revised. If such estimates and assumptions, based on the best evaluation currently available, should differ from actual circumstances, they will be modified accordingly in the period of the change of the circumstances. The estimates and assumptions mainly refer to the valuation of the recoverability of other intangible assets with indefinite useful life and of the investments in subsidiaries, to the determination of payables for leasing and rights of use, to the determination of taxes (current and deferred), and to the recognition/valuation of provisions for risks and charges.

### PIRELLI BRAND (INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE)

The Pirelli Brand is an intangible asset with indefinite useful life not subject to amortisation, but, pursuant to IAS 36, to impairment annually or more frequently, if specific events or circumstances occur which may lead to the presumption of impairment.

The recoverable value configuration for the purposes of the impairment test at December 31, 2025 is the Fair Value, calculated on the basis of the income approach (Level 3 of the hierarchy of IFRS 13 – Fair Value measurement).

The key assumptions used by management are the estimate of future increases in sales and operating cash flows and related growth rates beyond the explicit forecast period, in order to estimate the terminal value and the discount rate, which is based on the weighted average cost of capital plus a premium determined according to the riskiness of the specific asset.

## RIGHTS OF USE AND LEASE PAYABLES

With regard to the estimates and assumptions used to determine lease payables and rights of use, the application of IFRS 16 introduced some elements of professional judgment and the use of assumptions and estimates in relation to the lease term, to the definition of the incremental borrowing rate. The main ones are summarised as follows:

- the contract renewal clauses are considered for the purposes of determining the duration of the contract when the Company has the option of exercising them without the need to obtain the consent of the counterparty and when their exercise is deemed reasonably certain. In the case of clauses which provide for multiple renewals that can be exercised unilaterally by the Company, only the first extension period has been considered;
- the automatic renewal clauses of contracts in which both parties have the right to terminate the contract have not been considered for the purposes of determining the duration of the contract, as the ability to extend the duration of the same is not under the unilateral control of the Company and the penalties to which the lessor could be exposed to is not significant. However, in the event that the lessor is exposed to a significant penalty, the Company considers including a renewal option in determining the duration of the contract. This assessment is also carried out considering the degree of customisation of the asset subject to leasing: if the customisation were high, the lessor may incur a significant penalty if opposing the renewal;
- early termination clauses in contracts: these clauses are not considered in determining the duration of the contract if they can only be exercised by the lessor or by both parties. If they are unilaterally exercised by the Company, specific assessments are contractually conducted (for example, the Company is already negotiating a new contract or has already given notice to the lessor).
- the incremental borrowing rate consists of the risk-free rate of the country in which the contract is negotiated and is based on the duration of the contract. It is then adjusted on the basis of the Group's credit spread and local credit spread.

## INVESTMENTS IN SUBSIDIARIES

Investments are assessed to establish whether there was a decrease in value, to be recorded with impairment, if there are indications that it will be difficult to recover their net accounting value. To establish the presence of said indications, Directors must make subjective assessments on the basis of information available within the Company and the market, as well as historical experience.

Moreover, if it is determined that a potential impairment loss may be generated, the Company calculates this loss using appropriate measurement techniques. The proper identification of elements indicating the existence of a potential impairment loss, and the estimates for calculating the amount of such losses, depend on factors that may vary over time, affecting the assessments and estimates made by Directors. In particular, the key assumptions used by management are estimates of future increases in sales, operating cash flows, growth rate of operating cash flows beyond the explicit forecast period for the purpose of estimating the terminal value, and the weighted average cost of capital (discount rate).

### PROVISIONS FOR RISKS AND CHARGES

Provisions are set aside against legal and fiscal risks related to indirect taxes, representing the risk of losing lawsuits. The amount of provisions recorded in the Financial Statements in relation to these liabilities represents the best estimate at the reporting date made by management for lawsuits and tax claims regarding a vast range of issues which are subject to the jurisdiction of various countries. Such an estimate entails making assumptions that depend on factors that may change over time and which could therefore have a material impact with respect to the current estimates made by management for the preparation of the Separate Financial Statements.

### INCOME TAXES (CURRENT AND DEFERRED)

Income taxes (current and deferred) are determined according to an interpretation of the tax regulations in force. This process sometimes involves complex estimates in determining taxable income and temporary deductible and taxable differences between accounting and tax values. In particular, deferred tax assets are recorded to the extent that it is probable that future taxable income will be available against which they can be recovered. The assessment of the recoverability of deferred tax assets, recorded in relation both to tax losses that may be used in subsequent years and to temporary deductible differences, takes into account the estimate of future taxable income and is based on tax planning. With regard to situations in which the tax legislation in force lends itself to interpretation, if the Company considers it probable (greater than 50%) that the tax authority will accept the tax treatment adopted, the pre-tax result is determined in accordance with the tax treatment applied in the tax return. Otherwise, the effect of uncertainty is reflected in the determination of the pre-tax result. The probability refers to the fact that the tax authority does not accept the tax treatment adopted, and not to the probability of the assessment.

## 8. PROPERTY, PLANT AND EQUIPMENT

The breakdown was as follows:

(in thousands of euro)

	12/31/2025	12/31/2024
- Owned tangible assets	27,904	28,825
- Rights of use	22,850	28,150
<b>Net Value</b>	<b>50,754</b>	<b>56,975</b>

## 8.1 PROPERTY, PLANT AND EQUIPMENT

The breakdown and changes are as follows:

(in thousands of euro)

	12/31/2025			12/31/2024		
	Gross Value	Accumulated Depreciation	Net Value	Gross Value	Accumulated Depreciation	Net Value
Land	5,245	-	5,245	5,245	-	5,245
Buildings	44,976	(28,226)	16,750	44,791	(26,957)	17,834
Plant and machinery	3,717	(2,559)	1,158	3,599	(2,362)	1,237
Industrial and trade equipment	1,927	(1,908)	19	1,927	(1,901)	26
Other assets	15,575	(11,076)	4,499	15,239	(10,767)	4,472
Assets under construction	233	-	233	11	-	11
<b>Total</b>	<b>71,673</b>	<b>(43,769)</b>	<b>27,904</b>	<b>70,811</b>	<b>(41,987)</b>	<b>28,825</b>

(in thousands of euro)

Net value	12/31/2024	Increases	Decreases	Reclassif.	Depreciation	12/31/2025
Land	5,245	-	-	-	-	5,245
Buildings	17,832	186	-	-	(1,268)	16,750
Plant and machinery	1,238	118	-	-	(198)	1,158
Industrial and trade equipment	26	-	-	-	(7)	19
Other assets	4,472	336	-	-	(309)	4,499
Assets under construction	11	233	(11)	-	-	233
<b>Total</b>	<b>28,825</b>	<b>873</b>	<b>(11)</b>	<b>-</b>	<b>(1,783)</b>	<b>27,904</b>

(in thousands of euro)

Net value	12/31/2023	Increases	Decreases	Reclassif.	Depreciation	12/31/2024
Land	5,245	-	-	-	-	5,245
Buildings	18,642	266	-	176	(1,250)	17,832
Plant and machinery	1,094	100	-	229	(184)	1,238
Industrial and trade equipment	197	-	-	-	(172)	26
Other assets	4,632	28	-	145	(333)	4,472
Assets under construction	550	11	-	(550)	-	11
<b>Total</b>	<b>30,360</b>	<b>404</b>	<b>-</b>	<b>-</b>	<b>(1,940)</b>	<b>28,825</b>

There were no significant increases and divestments in 2025.

Financial expenses were not capitalised on property, plant and equipment.

## 8.2 RIGHTS OF USE

The net value of the assets for which the Company has stipulated a lease contract is as follows:

(in thousands of euro)

	12/31/2025	12/31/2024
Rights of use Buildings	20,496	25,550
Rights of use Other assets	2,354	2,600
<b>Net value</b>	<b>22,850</b>	<b>28,150</b>

**Rights of use on buildings** mainly refer to contracts relating to offices.

**Rights of use on other assets** mainly refer to contracts relating to motor vehicles. These contracts also include the service component (non-lease component).

Lease contracts are negotiated on an individual basis and include a wide variety of terms and conditions.

The increases in rights of use in 2025, also including remeasurement, amounted to euro 1,208 thousand (euro 2,024 thousand in 2024) and refer to vehicle and property lease contracts.

There were no reassessments or changes to significant contracts in 2025.

**Depreciation of rights of use** recorded in the income statement and included in the item “amortisation, depreciation and impairment” (note 31) are as follows:

(in thousands of euro)

	2025	2024
Buildings	5,620	5,516
Other assets	888	768
<b>Total depreciation of right of use</b>	<b>6,508</b>	<b>6,284</b>

For interest expense recorded in connection with lease contracts, refer to the information in note 36 “Financial expenses”.

For information on costs for lease contracts with a duration of less than twelve months, lease contracts for low unit value goods and lease contracts with variable fees, refer to note 32 “Other costs”.

For information on lease payables, refer to note 19 “Borrowings from banks and other lenders”.

## 9. INTANGIBLE ASSETS

The items in question and the related changes are detailed as follows:

(in thousands of euro)

	12/31/2024	Increase	Decrease	Transfers	Amortisation	12/31/2025
Pirelli Brand - indefinite life	2,270,000	-	-	-	-	2,270,000
Software licenses	944	-	-	-	(348)	596
Other intangible assets	6,251	2,275	-	2,175	(2,687)	8,014
Assets under construction	2,294	1,381	-	(2,175)	-	1,500
<b>Total</b>	<b>2,279,490</b>	<b>3,656</b>	<b>-</b>	<b>-</b>	<b>(3,035)</b>	<b>2,280,110</b>

(in thousands of euro)

	12/31/2023	Increase	Decrease	Transfers	Amortisation	12/31/2024
Pirelli Brand - indefinite life	2,270,000	-	-	-	-	2,270,000
Software licenses	911	126	-	256	(348)	944
Other intangible assets	6,847	933	-	662	(2,191)	6,251
Assets under construction	1,018	2,195	-	(918)	-	2,294
<b>Total</b>	<b>2,278,776</b>	<b>3,253</b>	<b>-</b>	<b>-</b>	<b>(2,539)</b>	<b>2,279,490</b>

The Pirelli Brand (asset with indefinite useful life) for euro 2,270,000 thousand, originated following the allocation of the merger deficit, generated following the incorporation of the parent company Marco Polo Industrial Holding S.p.A. in 2016. The allocation of the deficit was made consistently with the consolidated financial statements as a result of the completion of the Purchase Price Allocation.

The valuation of the useful life of the brands is based on a series of factors including the competitive environment, market share, history of the brand, life cycles of the underlying product, operational plans and macroeconomic environment of the countries in which the related products are sold. In particular, the useful life of the Pirelli Brand was assessed indefinitely on the basis of its history of one hundred fifty years of success (established in 1872) and the intention and ability of the Group to continue investing in order to support and maintain the brand.

The increases in the year mainly refer to the enhancement of the information systems aimed at creating a new integrated operating model.

No impairment was carried out in 2025.

## IMPAIRMENT TEST OF THE PIRELLI BRAND (ASSET WITH INDEFINITE USEFUL LIFE)

The Pirelli Brand, amounting to euro 2,270,000 thousand, is an intangible asset with indefinite useful life and therefore not subject to amortisation, but, pursuant to IAS 36, to impairment annually or more frequently, if specific events or circumstances occur which may lead to the presumption of impairment.

The impairment test at December 31, 2025 was performed using the assistance of an independent third-party professional.

The recoverable value configuration for the purposes of the impairment test at December 31, 2025 is the Fair Value, calculated on the basis of the income approach (Level 3 of the hierarchy of IFRS 13 – Fair Value measurement).

The forecasts are based on the adjusted EBITDA flows of the 2026 management plan approved by the Company's Board of Directors on February 25, 2026 - and subsequently confirmed as of the date of this document - drawn up on the basis of the new market context. The 2026 cash flow projections, which reflect the Group's positioning on the market thanks to the strategy of focusing on High Value, have been adjusted, without eliminating the effects of expansion investments, downwards to take into account analysts' consensus estimates updated after the presentation of the plan, as external evidence and with reference to 2027, analysts' consensus estimates were used.

The flows used for the purposes of determining the recoverable value express an average cumulative annual growth rate (CAGR) of revenues in the two-year period 2026-2027 of 1.5% compared to 2025 and an average adjusted EBITDA margin for the period equal to 23.1%.

Furthermore, the estimate of fair value is based on:

- evaluation criterion for the sum of parts that also considers the contribution in terms of royalties from the Prometeon Tyre Group for the use of the Pirelli brand in the Industrial segment as per management forecasts;
- excess earnings pertaining to the Pirelli brand obtained by deducting from prospective operating income the notional fee or royalty rate of the Group's operating activities other than the Brand, expressed at fair value;

- discount rate equal to 9.88%, which includes, with respect to the WACC calculated for the purposes of the impairment test of goodwill in the consolidated financial statements and equal to 8%, a premium determined on the basis of the riskiness of the specific asset and a growth rate "g" in the terminal value equal to 0.5%. The pre-tax rate that equates the fair value, estimated using pre-tax cash flows discounted at the pre-tax discount rate, to the fair value estimated using pre-tax cash flows discounted at the pre-tax discount rate is 14.90%;
- TAB (Tax Amortisation Benefit), which is the tax benefit that would benefit the market participant that acquired the asset separately due to the possibility of fiscally amortising it.

For the purposes of the impairment test, the recoverable value of the Pirelli Brand *cum* TAB is compared with the respective carrying amount (*cum* TAB) and no impairment has emerged.

The recoverable value is 17.7% higher than the Brand 's carrying amount. In order for the Fair Value to be equal to the carrying amount, a worsening change of the key parameters is necessary and in particular:

- a percentage decrease in revenues of 405 basis points in the explicit forecast period and in the terminal value;
- a decrease in adjusted EBITDA margin of 71 basis points in the explicit forecast period and in the terminal value;
- an increase in the discount rate of 147 basis points in the explicit forecast period and in the terminal value;
- a decrease in the growth rate "g" of 183 basis points beyond the explicit forecast period.

With reference to climate change issues, given that the Group expects net benefits on operating cash flows in the medium term, based on internal estimates of the impacts of climate change, these have not been included in the flows used for the impairment test. Additionally, a stress test was conducted to assess the sustainability of the recoverable value by using, in the terminal value calculation, the cash flows of the analysts' most conservative forecast as a negative scenario that is assumed to also incorporate the effects of climate change. The calculation used is based on the assumption that the scenario, once it has occurred, persists over time.

The aforementioned exercise shows a recoverable value higher than the brand carrying of 4.5%.

## 10. INVESTMENTS IN SUBSIDIARIES

At December 31, 2025, this item amounted to euro 4,621,949 thousand, unchanged compared to December 31, 2024, and the breakdown is as follows:

(in thousands of euro)

	12/31/2025	12/31/2024
Pirelli Tyre S.p.A.	4,528,245	4,528,245
Pirelli International Treasury S.p.A.	75,000	75,000
Pirelli Group Reinsurance Company S.A.	6,346	6,346
Pirelli Ltda	5,920	5,920
Pirelli Servizi Amministrazione e Tesoreria S.p.A.	3,238	3,238
Pirelli Sistemi Informativi S.r.l.	1,655	1,655
Maristel S.p.A.	1,315	1,315
HB Servizi S.r.l.	230	230
Pirelli UK Ltd.	-	-
<b>Total investments in subsidiaries</b>	<b>4,621,949</b>	<b>4,621,949</b>

Below are the changes during the year:

(in thousands of euro)

	12/31/2025	12/31/2024
<b>Opening balance</b>	<b>4,621,949</b>	<b>4,624,449</b>
Capital injection	56,480	-
Liquidation of Subsidiaries	-	-
Utilisation of provision to cover losses of subsidiaries	(50,700)	-
Impairment	(5,780)	(2,500)
<b>Closing balance</b>	<b>4,621,949</b>	<b>4,621,949</b>

In February 2025, a capital increase of euro 56,480 thousand was carried out in favour of the subsidiary Pirelli UK Ltd, aimed at strengthening the investee's capital position.

The company checks the recorded values of its investments and the existence of impairment indicators on the basis of as set out in paragraph 3 - Accounting standards Investments in subsidiaries and associates.

The subsidiaries on which it was necessary to proceed with the impairment test are Pirelli UK Ltd. and Pirelli Ltda. The audit revealed the need to proceed with the total impairment of the investment in Pirelli UK Ltd. The impairment loss was accounted for using the provision for losses covered by investments for an amount equal to euro 50,700 thousand. The portion of the impairment exceeding the fund availability, equal to euro 5,780 thousand, was recorded directly in the income statement.

The impairment test of the investment in Pirelli Ltda did not result in recognition of impairment loss.

Further details are set out in the Annexes to the Explanatory Notes.

## 11. INVESTMENTS IN ASSOCIATED COMPANIES

At December 31, 2025, this item amounted to euro 143 thousand, unchanged compared to December 31, 2024, and the breakdown is as follows:

(in thousands of euro)

	12/31/2025	12/31/2024
Consorzio per le Ricerche sui Materiali Avanzati (CORIMAV)	104	104
Eurostazioni S.p.A.	39	39
<b>Total investment in associates</b>	<b>143</b>	<b>143</b>

There were no changes during the year.

(in thousands of euro)

	12/31/2025	12/31/2024
<b>Opening balance</b>	<b>143</b>	<b>6,375</b>
Decreases	-	(5,201)
Impairment	-	(1,031)
<b>Closing balance</b>	<b>143</b>	<b>143</b>

The company checks the recorded values of its investments and the existence of impairment indicators on the basis of as set out in paragraph 3 - Accounting standards Investments in subsidiaries and associates.

Following the verification of the indicators, it was not necessary to carry out the test on the associated investments held.

Further details are set out in the Annexes to the Explanatory Notes.

## 12. OTHER FINANCIAL ASSETS AT FAIR VALUE RECORDED IN THE OTHER COMPONENTS OF THE STATEMENT OF COMPREHENSIVE INCOME (FVOCI)

Other financial assets at fair value recorded in the other components of the statement of comprehensive income amounted to euro 34,018 thousand at December 31, 2025 (euro 60,548 thousand at December 31, 2024). The breakdown of the item for each security is as follows:

(in thousands of euro)

	12/31/2025	12/31/2024
<b>Listed securities</b>		
RCS Mediagroup S.p.A.	24,324	21,929
<b>Unlisted securities</b>		
Fin. Priv S.r.l	-	29,297
Istituto Europeo di Oncologia S.r.l.	8,906	8,580
Other companies	788	742
<b>Total financial assets at fair value through other comprehensive income</b>	<b>34,018</b>	<b>60,548</b>

The changes in the year are shown below.

(in thousands of euro)

<b>Opening balance</b>	<b>60,548</b>
Decreases	(13,471)
Adjustment to fair value recognized in other comprehensive income	(13,059)
<b>Closing balance</b>	<b>34,018</b>

The decrease is attributable to the reimbursement of share capital and capital reserves following the distribution plan relating to the company Fin. Priv. S.r.l., placed into liquidation in October 2025. The company was placed into liquidation following the sale on the market of its entire stake in Mediobanca SpA, equal to 14,340,218 shares (approximately 1.76% of the share capital).

**Fair value adjustments in other comprehensive income** include euro 15,826 thousand in the negative adjustment to the investment in Fin. Priv. S.r.l., which became necessary following the liquidation of the company. Positive adjustments were instead recorded for the investments in RCS MediaGroup S.p.A. (euro 2,395 thousand), in Genextra S.p.A. (euro 17 thousand), in European Institute of Oncology (euro 326 thousand) and in Nomisma - Società di Studi Economici S.p.A. (euro 29 thousand).

The fair value of listed financial instruments corresponds to the stock market price at December 30, 2025. For non-listed securities and real estate funds, the fair value was being estimated on the basis of available information.

## 13. OTHER RECEIVABLES

The breakdown of other receivables is as follows:

(in thousands of euro)

	12/31/2025			12/31/2024		
	Total	Non-current	Current	Total	Non-current	Current
Other receivables from subsidiaries and associates	1,580	-	1,580	562	-	562
Financial receivables from subsidiaries	1,712,148	1,400,000	312,148	1,982,527	-	1,982,527
Guarantee deposits	2,775	2,775	-	333	333	-
Other receivables from third parties	8,518	37	8,481	3,909	54	3,855
Receivables from tax authorities for taxes not related to income	9,940	-	9,940	8,216	-	8,216
Financial prepaid expenses	1,638	-	1,638	2,434	-	2,434
<b>Total other receivables</b>	<b>1,736,599</b>	<b>1,402,812</b>	<b>333,787</b>	<b>1,997,981</b>	<b>387</b>	<b>1,997,594</b>

**Financial receivables from subsidiaries** include a loan of euro 1,400 million to Pirelli International Treasury S.p.A. accessed on January 31, 2025 with maturity February 16, 2027, the receivable for interest accrued not yet paid on the same line for euro 7,091 thousand and the relation with Pirelli International Treasury S.p.A. relating to the interest-bearing current account, regulated at interest rates market for euro 305,057 thousand.

For the purposes of applying the IFRS 9 accounting standard in relation to loans to Group companies, management has made an estimate of the expected credit losses in the 12 months following the closing of the financial statements. The analysis takes into consideration qualitative, quantitative, historical, and prospective information to determine whether the intra-group loan has a credit risk at December 31, 2025. Referring to a probability of default of a loan from the Pirelli & C. Group and considering the financial position of subsidiaries, Pirelli & C. management concluded that any impairment required by the standard would be of an immaterial amount.

**Guarantee deposits** include euro 2,440 thousand in escrow accounts to secure commitments related to the settlement of a dispute.

**Receivables from third parties** include miscellaneous advances and prepaid expenses, primarily related to sponsorships and insurance.

**Receivables from the tax authorities for taxes not related to income** for euro 9,940 thousand mainly refer to receivables for VAT.

**Deferred financial assets** relate mainly to the commissions on the revolving and term loan credit line.

The carrying amount of financial receivables and other receivables approximates their fair value.

## 14. TRADE RECEIVABLES

Trade receivables amounted to euro 57,928 thousand compared to euro 61,647 thousand of the previous year and the breakdown is as follows:

(in thousands of euro)

	12/31/2025	12/31/2024
Receivables from subsidiaries	56,419	60,704
Receivables from associates	164	3
Receivables from other companies	1,427	1,103
<b>Total receivables - gross amount</b>	<b>58,010</b>	<b>61,810</b>
Provision for bad debt	(82)	(163)
<b>Total receivables</b>	<b>57,928</b>	<b>61,647</b>

Below is the breakdown of trade receivables, gross of the provision for bad debts based on the currency in which they are expressed:

(in thousands of euro)

	12/31/2025	% of total trade receivables	12/31/2024	% of total trade receivables
EUR	36,196	62%	57,558	93%
USD (Dollar USA)	409	1%	554	1%
RUB (Ruble Russia)	19,144	33%	1,225	2%
CHF	2,261	4%	2,473	4%
<b>Total</b>	<b>58,010</b>	<b>100%</b>	<b>61,810</b>	<b>100%</b>

**Receivables from subsidiaries** at December 31, 2025 include amounts that Pirelli & C. S.p.A. charges for services rendered through Corporate functions and receivables for royalties accrued but not yet collected. The aforementioned receivables are due within the financial year and do not show past due balances of significant amount.

**Receivables from other companies** of euro 1,427 thousand (euro 1,103 thousand at December 31, 2024), shown gross of the provision for bad debts of euro 82 thousand, are past due for euro 598 thousand.

Past due receivables and receivables due have been valued in accordance with the Group policies described in the paragraph relating to credit risk management in the "Financial risk management policy".

Impaired receivables include both significant positions impaired separately, and positions with similar characteristics in terms of credit risk, grouped and impaired on a collective basis.

The change in the provision for bad debts is shown below:

(in thousands of euro)

	12/31/2025	12/31/2024
<b>Opening balance</b>	<b>163</b>	<b>203</b>
Accruals	-	56
Utilizations/reversals	(81)	(96)
<b>Closing balance</b>	<b>82</b>	<b>163</b>

For trade receivables, the carrying amount is considered to approximate the fair value.

## 15. CASH AND CASH EQUIVALENTS

At December 31, 2025, they amounted to euro 94 thousand, against euro 51 thousand at December 31, 2024 and refer to balances of bank accounts in euro repayable on demand.

The credit risk associated with cash and cash equivalents is to be considered limited because the counterparties are represented by leading national and international banking institutions.

The value of cash and cash equivalents is considered to be aligned with the respective fair value.

## 16. TAX RECEIVABLES

At December 31, 2025, they amount to euro 97,352 thousand (euro 76,071 thousand at December 31, 2024). The amount mainly includes receivables from Group companies participating in the tax consolidation for euro 95,720 thousand (euro 75,106 thousand at December 31, 2024). The increase compared to the previous year substantially depends on the greater contribution of the taxable result by the subsidiary Pirelli Tyre S.p.A..

## 17. DERIVATIVE FINANCIAL INSTRUMENTS

The item includes the fair value measurement of derivative instruments. The breakdown is as follows:

(in thousands of euro)

	12/31/2025				12/31/2024			
	Non Current Assets	Current Assets	Non Current Liabilities	Current Liabilities	Non Current Assets	Current Assets	Non Current Liabilities	Current Liabilities
<b>Without adoption of hedge accounting</b>								
Forex instruments - trade positions	-	5	-	(8)	-	33	-	(8)
<b>In hedge accounting</b>								
<b>- cash flow hedge:</b>								
Derivatives for interest rate - included in net financial position	-	499	-	-	4,264	-	-	-
<b>Total derivative instruments</b>	<b>-</b>	<b>504</b>	<b>-</b>	<b>(8)</b>	<b>4,264</b>	<b>33</b>	<b>-</b>	<b>(8)</b>

The above derivatives are intercompany derivatives stipulated with the Group's treasury company, Pirelli International Treasury S.p.A.

## DERIVATIVE FINANCIAL INSTRUMENTS NOT IN HEDGE ACCOUNTING

The value of **exchange rate derivatives** included in assets and liabilities corresponds to the fair value of forward currency purchases/sales outstanding at the closing date of the period. These are transactions that mirror Company commercial transactions for which the hedge accounting option was not adopted. The fair value was determined by using the forward exchange rate at the reporting date.

## DERIVATIVE FINANCIAL INSTRUMENTS IN HEDGE ACCOUNTING

The value of **interest rate derivatives** recorded under non-current assets for euro 499 thousand refers to the fair value measurement of 5 interest rate swaps with the following characteristics:

Derivative	Hedged element	Notional amount (Euro million)	Start date	Maturity
IRS	Club Deal EUR 1,6 bln. ESG 2022 5y	500.0	February 2023	February 2026 receive floating / pay fixed

For these derivatives, cash flow hedge accounting was adopted. The subject of the hedge is future interest flows on floating rate EUR liabilities.

The change in fair value for the period is positive for euro 463 thousand. This change was entirely recorded among other components of the Comprehensive Income Statement.

In the income statement, euro 9,631 thousand were transferred under the item "Financial expenses" (note 36) to correct the financial expenses recognised on the liabilities hedged. This amount mainly consists of:

- 1) euro 4,228 thousands of interest income on IRS in hedge accounting;
- 2) euro 5,520 thousand, corresponding to the portion of the positive cash flow hedge reserve accrued on IRS forward start pre hedge closed early in 2022. This amount corrects the financial expenses of the related hedge item, a sustainability-linked bond issued in January 2023 and due in January 2028 for a total nominal amount of euro 600 million;

A change of +0.5% in the EURIBOR curve, other conditions being equal, would lead to a positive change net of the tax effect of euro 624 thousand in the Company's equity, while a change of -0.5% in the same curve would lead to a negative change net of the tax effect of euro 628 thousand in the Company's equity.

Hedging relationships relating to IRS are considered effective prospectively as the following conditions are met:

- there is an economic relationship between the hedging instrument and the hedged item, as the characteristics of the hedging instrument (nominal interest rate, reset of the interest rate and frequency of the payment of interest) are substantially in line with those of the hedged item. As a consequence, changes in the fair value of the hedging instrument regularly offset those of the hedged item;
- the effect of credit risk is not predominant within the hedging relationship: based on the Group's operating rules, derivatives are traded only with high standing banking counterparties and the credit quality of the existing derivatives portfolio is constantly monitored;
- the designated hedge ratio is in line with the one used for financial risk management and is 100% (1:1).

The ineffectiveness of the hedging relationship is calculated at each reporting date with the Dollar Offset method, which provides for the comparison of changes in the fair value risk adjusted of the hedging instrument with changes in the fair value risk free of the hedged item, through the identification of a hypothetical derivative with the same characteristics of the underlying financial liability.

Possible causes of ineffectiveness are as follows:

- application of adjustment for credit risk only to the hedging instrument but not to the hedged item;
- the hedged item incorporates a floor that is not reflected in the hedging instrument;
- misalignment between the actual contractual conditions of the future transaction and those of the hedging instrument.

As of December 31, 2025, no situations of ineffectiveness have occurred.

## 18. SHAREHOLDERS' EQUITY

Equity amounted to euro 5,565,018 thousand at December 31, 2025 (euro 5,053,500 thousand at December 31, 2024).

The statement of changes in equity is shown in the main financial statements.

The changes that occurred during the year are commented on in the paragraphs relating to the individual components of Equity.

### SHARE CAPITAL

The share capital at December 31, 2025, fully subscribed and paid-in, amounts to 2,065,650,608.36 divided into 1,084,881,933 ordinary shares without nominal value. The increase of euro 161,275,672.70 compared to December 31, 2024 is due to the exercise of the conversion option in December 2025 by the holders of the EUR 500 million Senior Unsecured Guaranteed Equity-linked Bond due 2025 interest-free senior unsecured guaranteed equity-linked bond, admitted to trading on the "Vienna MTF" of the Vienna Stock Exchange.

### LEGAL RESERVE

At December 31, 2025, the legal reserve amounted to euro 380,875 thousand, unchanged compared to December 31, 2024.

### SHARE PREMIUM RESERVE

At December 31, 2025, the share premium reserve amounted to euro 965,605 thousand (euro 630,381 thousand at December 31, 2024). The change is due to the conversion of the convertible bond.

### CONCENTRATION RESERVE

At December 31, 2025, concentration reserves amounted to euro 12,467 thousand and unchanged compared to December 31, 2024.

### OTHER RESERVES

At December 31, 2025, other reserves amounted to euro 92,535 thousand (euro 133,735 thousand at December 31, 2024). The reduction is due to the reclassification of the convertible bond reserve of euro 41,200 thousand to retained earnings, following the conversion of the bond in 2025. This reserve was created in 2020 to include in equity the component relating to the fair value of the option sold to the subscribers of the convertible bond loan.

### OTHER O.C.I. RESERVES

At December 31, 2025, Other O.C.I. reserves were positive for euro 8,336 thousand and refer to the cash flow hedge reserve, net of the tax effect (positive for euro 4,352 thousand), to the employee benefit remeasurement reserve, net of the tax effect (positive for euro 2,019 thousand) and to the reserve for the fair value adjustment of financial assets at fair value through comprehensive income (positive for euro 1,965 thousand).

### MERGER RESERVE

At December 31, 2025, the merger reserve amounted to euro 1,022,928 thousand, unchanged compared to December 31, 2024. The reserve was generated following the merger by incorporation of Marco Polo Industrial Holding S.p.A. in Pirelli & C. S.p.A. in 2016.

### RESERVE FROM RESULTS CARRIED FORWARD

The reserve from results carried forward amounted to euro 731,430 thousand compared to a 639,392 at December 31, 2024. The increase is attributable for euro 52,024 thousand to the residual result carried forward from the previous year, as per the shareholders' resolution of June 12, 2025 and for euro 41,015 thousand to the reclassification of the convertible bond reserve, following the conversion of the bond in 2025. These increases were offset by the reclassification for euro 1,001 thousand of the reserve for fair value adjustments of financial assets at fair value through other comprehensive income, following the liquidation of Fin. Priv..

In accordance with the provisions of article 2427, no. 7-bis of the Civil Code, in the following table each item of equity is indicated analytically, with indication of its origin, possibility of use and distributability, as well as of its use in previous years.

(in thousands of euro)

	Amount	Possible use	Available portion	Summary of reserves uses in the last three previous years
Share capital	2,065,651			
Share premium reserve	965,605	A, B, C	965,605	-
Legal reserve	380,875	B	380,875	-
Other reserves				
- Concentration reserve	12,467	A, B, C	12,467	-
- Other reserves	92,535	A, B	92,535	-
- Other O.C.I. reserves	8,336	-	-	-
- Merger reserve	1,022,928	A, B, C	1,022,928	-
- Retained earnings	731,430	A, B, C	731,430	-
<b>Total</b>	<b>5,279,827</b>		<b>3,205,840</b>	-
Non distributable			473,410	
Residual quota available			2,732,430	

A to increase the share capital

B to cover losses

C to distribute to the shareholders

The share premium reserve becomes distributable in its entirety following the resolutions submitted to the Shareholders' Meeting regarding the allocation to the legal reserve of part of the net profit for the year and retained earnings, for a total amount of euro 32,255 thousand, carried out to fill the legal reserve to the extent required by law.

## DIVIDEND DISTRIBUTION

On June 12, 2025, the Shareholders' Meeting of Pirelli & C. S.p.A. approved the 2024 financial statements and the distribution of a gross dividend of euro 0.25 per share, for a total amount of approximately euro 250 million. The dividend was paid starting from June 25, 2025, with an ex-dividend date of June 23, 2025 (record date of June 24, 2025).

## 19. PAYABLES TO BANKS AND OTHER LENDERS

The item payables to banks and other lenders, is broken down as follows:

(in thousands of euro)

	12/31/2025			12/31/2024		
	Total	Non-current	Current	Total	Non-current	Current
Bonds	1,192,425	1,192,425	-	1,679,980	1,189,839	490,141
Borrowings from banks	1,197,849	1,197,849	-	1,496,460	1,496,460	-
Lease liabilities	28,247	20,722	7,525	34,296	27,209	7,087
Other financial payables	758	-	758	761	-	761
Accrued liabilities	39,328	-	39,328	50,306	-	50,306
<b>Total borrowings from banks &amp; other financial institutions</b>	<b>2,458,607</b>	<b>2,410,996</b>	<b>47,611</b>	<b>3,261,803</b>	<b>2,713,508</b>	<b>548,295</b>

The item **bonds** refers to:

- rated sustainability-linked bond “SLB EUR 600 million 4.25% due 01/28” [ISIN: XS2577396430] for a nominal value of euro 600 million, placed on January 11, 2023 with international institutional investors with fixed coupon of 4.25% and maturity January 2028. The transaction, classified entirely as non-current financial payables, was issued as part of the EMTN (Euro Medium Term Note) Programme approved by the Board of Directors on February 23, 2022 and is guaranteed by Pirelli Tyre S.p.A.. The securities are listed on the Luxembourg Stock Exchange. It is to be noted that the sustainability targets for 2025 (contractually specified) have been exceeded, and therefore, the coupon penalties provided for in the event of non-achievement of such targets do not apply, and therefore accordingly the applicable coupon will continue to be equal to 4.25% until the maturity of the instrument. At December 31, 2025, the rating assigned by the rating agency Fitch on this instrument is BBB, revised upwards in July 2024, while the rating assigned by the rating agency Standard & Poor’s is BBB-;
- rated sustainability-linked bond “SLB EUR 600 million 3.875% due 07/29” [ISIN: XS2847641961] for a nominal value of euro 600 million, placed on July 2, 2024 with international institutional investors with fixed coupon of 3.875% and maturity July 2029. The transaction, classified entirely as non-current financial payables, was issued as part of the EMTN (Euro Medium Term Note) Programme and is guaranteed by Pirelli Tyre S.p.A.. The securities are listed on the Luxembourg Stock Exchange. The terms of the bonds provide for a 0.25% increase in the coupon for each of the two sustainability parameters contractually indicated (linked to the Group’s new sustainability targets validated by SBTi in September 2024) in the event of failure to achieve each of the related targets by 2027. At December 31, 2025, the rating assigned by the rating agency Fitch on this instrument is BBB, revised upwards in July 2024, while the rating assigned by the rating agency Standard & Poor’s is BBB-.

It is also noted that at December 31, 2024, the item bonds included the interest-free senior unsecured guaranteed equity-linked bond loan (“convertible bond loan”) with a nominal value of euro 500 million. At December 31, 2025, conversion rights into Company shares with a nominal value of euro 496.5 million were exercised. To service this conversion, which took place at a value of euro 5.8493 per share, the Company issued a total of 84,881,933 new ordinary shares. The remaining debt of euro 3.5 million was repaid upon maturity.

The carrying amount of the item bonds was determined as follows:

(in thousands of euro)

	12/31/2025	12/31/2024
Nominal value	1,200,000	1,700,000
Equity convertible bond component	-	(41,791)
Transaction costs	(9,298)	(16,048)
Bond discount	(3,780)	(3,780)
Amortisation of effective interest rate	5,503	8,294
Non-monetary interest convertible bond loan	-	33,305
<b>Total</b>	<b>1,192,425</b>	<b>1,679,980</b>

Below are the changes of the item bonds.

(in thousands of euro)

<b>Bonds as at 12/31/2024</b>	<b>1,679,980</b>
Bond repayment "senior unsecured guaranteed equity-linked"	(3,500)
<b>Cash changes</b>	<b>1,676,480</b>
Bond conversion "senior unsecured guaranteed equity-linked"	(496,500)
Non-cash interest convertible bond	8,486
Amortised cost of the year	3,959
<b>Non-cash changes</b>	<b>(484,055)</b>
<b>Bonds as at 12/31/2025</b>	<b>1,192,425</b>

The change in the item bonds relating to the previous year is shown below:

(in thousands of euro)

<b>Bonds as at 12/31/2023</b>	<b>1,095,029</b>
Transaction costs	(6,915)
Bond repayment "Schuldschein"	(20,000)
Bond issuance "Bond SLB EUR 600 mln"	600,000
<b>Cash changes</b>	<b>573,085</b>
Non-cash interest convertible bond	8,550
Amortised cost of the year	3,316
<b>Non-cash changes</b>	<b>11,866</b>
<b>Bonds as at 12/31/2024</b>	<b>1,679,980</b>

The breakdown of the item **payables to banks**, which amounted to euro 1,197,849 thousand, is as follows:

(in thousands of euro)

	Due Date	Interest rate	Nominal value	12/31/2025		
				Balance	Non - current	Current
Club Deal EUR 1,6 bln. ESG 2022 5y	2/22/2027	EURIBOR + spread	600,000	599,348	599,348	-
Club Deal EUR 600 mln ESG 2024 4,5y	10/20/2028	EURIBOR + spread	600,000	598,501	598,501	-
<b>Total borrowings from banks</b>				<b>1,197,849</b>	<b>1,197,849</b>	<b>-</b>

and refer to:

- use of the “Club Deal EUR 1.6 bln ESG 2022 5y” for euro 599,348 thousand and classified under non-current financial payables. The variable rate loan line (Euribor + spread), guaranteed by Pirelli tyre S.p.A., was signed on February 21, 2022, with a pool of leading Italian and international banks and with 5-year maturity. The line, linked to the Group’s ESG objectives, is made up of three tranches for a total of euro 1.6 billion, distributed as follows:
  - Pirelli & C. S.p.A. term loan with nominal value of euro 600,000 thousand fully used and revolving cash credit facility of euro 100,000 thousand, unused at December 31, 2025;
  - Pirelli International Treasury S.p.A. revolving cash credit facility of euro 900,000 thousand, unused at December 31, 2025.

It should be noted that following the most recent reporting of sustainable KPIs and having achieved the objectives for the year, the Group is benefiting from the related incentives to reduce the cost of the credit line.

- “Club Deal EUR 600 mln. ESG 2024 5y” for euro 598,501 thousand relating to the credit line of euro 600 million at floating rate (Euribor + spread), guaranteed by Pirelli Tyre S.p.A. and stipulated on March 22, 2024 with a pool of leading Italian and international banks and with a 4.5-year maturity. The loan - classified as non-current financial debt - is linked to some of the Group’s sustainability targets and, starting from June 2025, it began to benefit from the related incentives to reduce the cost of the credit line.

Furthermore, it is noted that at December 31, 2025, Pirelli & C. S.p.A. has an outstanding revolving committed credit line “Club Deal EUR 500 million. ESG 2023 4y RCF” with a select pool of international banks for an amount of euro 500 million, maturing in December 2027, guaranteed by Pirelli Tyre S.p.A. and benchmarked to the Group’s new sustainability objectives. Since June 2025, the line has begun to benefit from cost reduction incentives, related to the achievement of the Group’s sustainability objectives. At December 31, 2025, the line is unused.

Finally, it is noted that at December 31, 2024, the item “Payables to banks” included the loan “ESG bilateral line 300 mln 2023 2.5y” for a nominal amount of euro 300 million, fully repaid early during 2025.

At December 31, 2025, the Company has a liquidity margin of euro 905,151 thousand made up of euro 600,000 thousand of unused committed credit lines, euro 305,057 thousand relating to the interest-bearing current account with Pirelli International Treasury S.p.A. recognized as current financial receivables and euro 94 thousand relating to cash and cash equivalents.

Below are the changes in payables to banks:

(in thousands of euro)

<b>Borrowings from banks at 12/31/2024</b>	<b>1,496,460</b>
Repayment of "bilateral borrowings EUR 300 mln. ESG 2023 2,5Y"	(300,000)
<b>Cash changes</b>	<b>(300,000)</b>
Amortised cost of the year	1,389
<b>Non-cash changes</b>	<b>1,389</b>
<b>Borrowings from banks at 12/31/2025</b>	<b>1,197,849</b>

The change in total payables to banks for the previous year is shown below:

(in thousands of euro)

<b>Borrowings from banks at 12/31/2023</b>	<b>2,095,728</b>
Issuance of "Club Deal EUR 600 mln ESG 2024 4,5Y" financing	600,000
Repayment of bilateral borrowings " Club deal EUR 400 mln. ESG 2021 3Y"	(400,000)
Repayment " Club deal EUR 800 mln. ESG 2020 5Y" financing	(800,000)
Transaction costs	(2,438)
<b>Cash changes</b>	<b>(602,438)</b>
Amortised cost of the year	3,170
<b>Non-cash changes</b>	<b>3,170</b>
<b>Borrowings from banks at 12/31/2024</b>	<b>1,496,460</b>

**Lease payables** represent financial liabilities relating to the application of IFRS 16 starting from January 1, 2019.

Below are the changes in total lease payables:

(in thousands of euro)

<b>Lease liabilities as at 12/31/2024</b>	<b>34,296</b>
Increase of lease obligations	755
Remeasurement and early termination	449
Cash outflow for lease obligations - principal amount	(7,253)
<b>Lease liabilities as at 12/31/2025</b>	<b>28,247</b>

The change in total lease payables for the previous year is shown below:

(in thousands of euro)

<b>Lease liabilities as at 12/31/2023</b>	<b>39,060</b>
Increase of lease obligations	1,815
Remeasurement and early termination	173
Cash outflow for lease obligations - principal amount	(6,752)
<b>Lease liabilities as at 12/31/2024</b>	<b>34,296</b>

Non-discounted future payments for lease contracts for which the exercise of extension options is not considered reasonably certain amounted to euro 59,627 thousand at December 31, 2025 and are not included in this item (euro 58,768 thousand at December 31, 2024).

The item **other financial payables** refer to the payable to shareholders for euro 758 thousand following the squeeze out operation.

**Accrued financial expenses** (euro 39,328 thousand) mainly refers to the accrual of interest on loans from banks for euro 1,746 thousand (euro 13,096 thousand at December 31, 2024), to the accrued interest matured on bonds for euro 35,969 thousand (euro 35,972 thousand at December 31, 2024) and to the accrued interest matured on derivatives for for euro 1,557 thousand (euro 1,191 thousand at December 31, 2024).

At December 31, 2025, there are no financial payables secured by collateral (pledges and mortgages).

For current financial payables, it is maintained that the book value is approximately the fair value. The table below compares the fair value of non-current financial payables with their carrying amount:

(in thousands of euro)

	12/31/2025		12/31/2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Bonds	1,192,425	1,233,570	1,189,839	1,237,350
Borrowings from banks	1,197,849	1,213,083	1,496,460	1,522,611
<b>Total borrowings from banks and other financial institutions - non current</b>	<b>2,390,274</b>	<b>2,446,653</b>	<b>2,686,299</b>	<b>2,759,961</b>

The fair values of the two rated sustainability-linked bonds issued by Pirelli & C. SpA under the EMTN program are quoted and therefore measured with reference to year-end prices. The fair values are classified in level 1 of the hierarchy, as provided for by IFRS 13 – Fair Value Measurement.

The fair value of payables to banks was calculated by discounting each debtor cash flow expected at the market swap rate for the currency and at the reference maturity date, increased by the Group credit rating for similar debt instruments by nature and technical characteristics and is therefore classified as level 2 in the hierarchy required by IFRS 13 – Fair Value Measurement.

With reference to the currency of origin of the payable, it is noted that payables to banks and other lenders at December 31, 2025 and December 31, 2024 are all denominated in euro.

At December 31, 2025, there are interest rate hedging derivatives in place.

Considering the effects of the hedging derivatives, the Company's exposure to fluctuations in interest rates on financial payables, both in terms of the type of interest rate and their resetting, is as follows:

- floating-rate payables for euro 698,501 thousand, the interest rate of which is subject to redetermination in 2026;
- fixed-rate payables for euro 1,691,773 thousand, the interest rate of which is not subject to redetermination until the natural maturity of the reference debt (maturity beyond twelve months).

With reference to financial payables, at December 31, 2025, the Company is not subject to financial covenants.

“Club Deal EUR 1.6 bln. ESG 2022 5y”, “Club Deal EUR 500 mln. ESG 2023 4y RCF”, “Club Deal EUR 600 mln. ESG 2024 4,5y”, “Bond loan SLB EUR 600 mln. 4.25% due 01/28” and “Bond loan SLB EUR 600 mln. 3.875% due 07/29” providing for Negative Pledge clauses and other usual provisions, the terms of which are in line with market standards for each of the aforementioned types of financial instrument.

## NET FINANCIAL POSITION (alternative performance indicator not required by IFRS accounting standards)

The table below shows the breakdown of the net financial position and net financial debt at December 31, 2025 and December 31, 2024, determined in accordance with the provisions of Consob communication DEM/6064293 of July 28, 2006 and in compliance with the ESMA guidelines on disclosure obligations pursuant to the prospectus regulation applicable from May 5, 2021:

(in thousands of euro)

	Note	12/31/2025	of which related parties (note 39)	12/31/2024	of which related parties (note 39)
Current borrowings from banks and other financial institutions	19	47,611	1,557	548,295	1,191
Non-current borrowings from banks and other financial institutions	19	2,410,996	-	2,713,508	-
<b>Total gross debt</b>		<b>2,458,607</b>		<b>3,261,803</b>	
Cash and cash equivalents	15	(94)	-	(51)	-
Current financial receivables and other assets	13	(313,786)	(312,148)	(1,984,961)	(1,982,527)
Derivative financial instruments - assets	17	(499)	(499)	-	-
<b>Net financial debt*</b>		<b>2,144,228</b>		<b>1,276,791</b>	
Non-current financial receivables and other assets	13	(1,402,774)	(1,400,000)	(333)	-
Derivative financial instruments	17	-	-	(4,264)	(4,264)
<b>Total net financial (liquidity)/debt position</b>		<b>741,454</b>		<b>1,272,194</b>	

\* Pursuant to CONSOB Notice of July 28, 2006 and in compliance with the ESMA guidelines regarding disclosure requirements pursuant to the Prospectus Regulation applicable from May 5, 2021.

The net financial debt is summarised below based on the format provided by the ESMA guidelines:

(in thousands of euro)

	Nota	12/31/2025	12/31/2024
Cash and cash equivalents	15	(94)	(51)
Other current financial asset		(314,285)	(1,984,961)
<i>of which current financial receivables</i>	13	(313,786)	(1,984,961)
<i>of which Current derivative financial instruments (assets)</i>	17	(499)	-
<b>Liquidity</b>		<b>(314,379)</b>	<b>(1,985,012)</b>
Current borrowings from banks and other financial institutions	19	47,611	548,295
Current derivative financial instruments (liabilities)	17	-	-
<b>Current financial debt</b>		<b>47,611</b>	<b>548,295</b>
<b>Current net financial debt</b>		<b>(266,768)</b>	<b>(1,436,717)</b>
Non-current borrowings from banks and other financial institutions	19	2,410,996	2,713,508
<b>Non current financial debt</b>		<b>2,410,996</b>	<b>2,713,508</b>
<b>Net financial debt*</b>		<b>2,144,228</b>	<b>1,276,791</b>

\* Pursuant to CONSOB Notice of July 28, 2006 and in compliance with the ESMA guidelines regarding disclosure requirements pursuant to the Prospectus Regulation applicable from May 5, 2021.

## 20. PROVISIONS FOR RISKS AND CHARGES

The following is a detail of changes of the item in question:

(in thousands of euro)

	12/31/2024	Increases	Uses	Reversals	Reclass	12/31/2025
Provision for employees disputes	412	520	(4)	(93)	-	835
Provision for environmental risks	19,174	-	(251)	(5,369)	(1,412)	12,141
Provision for other risks and charges	19,475	8,920	(5,090)	(14)	(5,439)	17,852
<b>Provision for liabilities and charges - non current portion</b>	<b>39,062</b>	<b>9,440</b>	<b>(5,345)</b>	<b>(5,477)</b>	<b>(6,851)</b>	<b>30,828</b>
Provision for losses of subsidiaries	50,700	1,200	(50,700)	-	-	1,200
<b>Provision for liabilities and charges - current portion</b>	<b>50,700</b>	<b>1,200</b>	<b>(50,700)</b>	<b>-</b>	<b>-</b>	<b>1,200</b>
<b>Total Provisions for risks and charges</b>	<b>89,762</b>	<b>10,640</b>	<b>(56,045)</b>	<b>(5,477)</b>	<b>(6,851)</b>	<b>32,028</b>

The **increases in provisions for risks and charges** mainly refer to:

- provisions relating to the deferred component of the STI (Short Term Incentive) incentive plans and the share pertaining to the LTI (Long Term Incentive 2024 – 2026 and 2025-2027) incentive plans of the Directors participating in the plan for a total of euro 8,920 thousand;
- provision to cover losses of investee companies for euro 1,200 thousand, which refers to the subsidiary Pirelli UK Ltd.

**Uses** are mainly attributable to the directors' severance fund and the use of the fund to cover losses on investments following the impairment of the investment in the subsidiary Pirelli UK Ltd.

**Releases** are largely due to the adjustment of provisions for environmental risks and charges, made possible following the definition of settlement agreements during the financial year.

**Reclassifications** refer to the reclassification from non-current provisions to other payables (note 23) of the portions of the LI 2023 – 2025 plan and of the deferred portion of the STI incentive plan set aside in previous years, which will be paid in the first half of 2026.

## 21. EMPLOYEE BENEFIT OBLIGATIONS

Employee benefit obligations amounted to euro 18,247 thousand (euro 18,485 thousand at December 31, 2024), and the breakdown is as follows:

(in thousands of euro)

	12/31/2025			12/31/2024		
	Total	Non current	Current	Total	Non current	Current
Employee leaving indemnities (TFR)	2,097	2,097	-	2,090	2,090	-
Other benefits	16,150	16,150	-	16,395	15,575	820
<b>Total employees' benefit obligation</b>	<b>18,247</b>	<b>18,247</b>	<b>-</b>	<b>18,485</b>	<b>17,665</b>	<b>820</b>

### EMPLOYEES' LEAVING INDEMNITIES (TFR)

The changes in the year 2025 for Employees' leaving indemnities are the following:

(in thousands of euro)

	12/31/2025	12/31/2024
<b>Opening balance</b>	<b>2,090</b>	<b>1,957</b>
Movements through income statement:		
- interest expense	69	68
<i>Remeasurements recognised in equity:</i>		
- actuarial (gains) or losses arising from changes in financial assumption	(49)	72
Indemnities, advance payments, relocations, payment to funds	(13)	(7)
<b>Total employees' leaving indemnities (TFR)</b>	<b>2,097</b>	<b>2,090</b>

Net actuarial gains accrued in 2025 recorded directly in other components of the Comprehensive Income Statement amounted to euro 49 thousand and are related to the change in the reference economic parameters (discount and inflation rates).

In accordance with national legislation, the amount due to each employee accrues based on the service provided and is paid when the employee leaves the company. The treatment due to the termination of the employment relationship is calculated based on its duration and the taxable remuneration of each employee. The liability, annually revalued on the basis of the official cost of living and statutory interest rate, is not associated with any accrual condition or period, nor with any financial funding obligation; therefore, there is no activity at the service of the provision.

The discipline was supplemented by Legislative Decree no. 252/2005 and by Law no. 296/2006 (Finanziaria 2007) which, for companies with at least 50 employees, has established that the portions

accrued since 2007 be allocated, on the employees' option, either to the INPS Treasury Fund or to supplementary pension schemes, assuming the nature of "Defined contribution plan". In any case, for all companies, the revaluations of the amounts outstanding at the option dates are still accounted for under staff severance indemnities as well as, for companies with less than 50 employees, also the portions accrued and not allocated to supplementary pensions.

The main actuarial assumptions used at December 31, 2025 are as follows:

	<b>2025</b>
Discount rate	3.6%
Inflation rate	1.9%

The main actuarial assumptions used at December 31, 2024 were as follows:

	<b>2024</b>
Discount rate	3.3%
Inflation rate	2.0%

Hired employees at December 31, 2025 amounted to 441 units (436 units at December 31, 2024).

In other conditions being equal, a hypothetical change of 0.25% in the discount rate would result in a decrease in liabilities equal to 1.28%, in the case of an increase (1.27% at December 31, 2024), and an increase in liabilities of 1.26 %, in the case of a decrease (1.30% at December 31, 2024).

## OTHER EMPLOYEE BENEFITS

The breakdown of other benefits is as follows:

(in thousands of euro)

	<b>12/31/2025</b>			<b>12/31/2024</b>		
	<b>Total</b>	<b>Non current</b>	<b>Current</b>	<b>Total</b>	<b>Non current</b>	<b>Current</b>
Long-term incentive plans	7,902	7,902	-	7,630	7,630	-
Jubilee awards	1,830	1,830	-	1,688	1,688	-
Other benefits	6,418	6,418	-	7,077	6,257	820
<b>Total</b>	<b>16,150</b>	<b>16,150</b>	<b>-</b>	<b>16,395</b>	<b>15,575</b>	<b>820</b>

The item "**Long-term incentive plans**" relates to the amount set aside for the three-year monetary incentive plans Long Term Incentive 2024-2026 and 2025-2027 intended for Group management. The portions of the 2023-2025 LTI plan set aside in previous years have been reclassified from employee provisions to payables to employees under "Other payables" (note 23), as they will be paid during the first half of 2026. It is noted that the existing incentive plans are based on a "rolling" mechanism (a new three-year Incentive Plan will therefore be proposed each year).

The item "**Other benefits – non-current portion**" refers to the short-term incentive plan for employees.

## 22. TRADE PAYABLES

The breakdown of trade payables is as follows:

(in thousands of euro)

	12/31/2025	12/31/2024
Payables to subsidiaries	3,577	3,628
Payables to associates	100	129
Payables to other companies	29,927	26,777
<b>Total trade payables</b>	<b>33,604</b>	<b>30,534</b>

The carrying amount of trade payables is considered to approximate the related fair value.

## 23. OTHER PAYABLES

The breakdown of other payables is as follows:

(in thousands of euro)

	12/31/2025			12/31/2024		
	Total	Non-current	Current	Total	Non-current	Current
Payables to subsidiaries	10,807	-	10,807	11,964	-	11,964
Payables to social security and welfare institutions	5,401	-	5,401	5,702	-	5,702
Payables to employees	26,808	-	26,808	25,962	-	25,962
Other payables	27,540	965	26,575	33,510	95	33,415
Deferred income	17	-	17	-	-	-
<b>Total other payable</b>	<b>70,573</b>	<b>965</b>	<b>69,608</b>	<b>77,138</b>	<b>95</b>	<b>77,043</b>

**Payables to subsidiaries** mainly refer to receivables related to VAT consolidation.

**Payables to pension and social security institutions** mainly consist of contributions to be paid to the INPS (National Social Welfare Institute).

**Payables to employees** refer to the amounts to be paid to employees and include the LTI 2023 – 2025 plan and the deferred portion of the STI (Short term incentive) incentive plan relating to 2024, which will be paid in the first half of 2026.

**Other payables** mainly include payables for compensation to be paid to directors and auditors, for withholding taxes on income from self-employed and employed work. The item includes the portion of the LTI 2023 – 2025 plan and the deferred portion of the STI (Short term incentive) incentive plan, which will be paid in the first half of 2026.

For **other current payables** it is considered that the carrying amount approximates their fair value.

## 24. DEFERRED TAX LIABILITIES

Deferred tax liabilities amounted to euro 621,696 thousand at December 31, 2025 (euro 604,849 thousand at December 31, 2024).

The breakdown of deferred tax liabilities gross of offsetting is as follows:

(in thousands of euro)

	12/31/2025	12/31/2024
<b>Deferred tax assets</b>	<b>13,070</b>	<b>32,106</b>
- of which within 12 months	5,487	24,424
- of which over 12 months	7,583	7,682
<b>Provision for deferred tax liabilities</b>	<b>(634,766)</b>	<b>(636,955)</b>
- of which within 12 months	(1,375)	(1,788)
- of which over 12 months	(633,391)	(635,167)
<b>Total</b>	<b>(621,696)</b>	<b>(604,849)</b>

The breakdown of deferred taxes, relating to temporary differences and tax losses carried forward is shown in the following table:

(in thousands of euro)

	12/31/2025	12/31/2024
<b>Deferred tax assets</b>		
Provision for risk and charges	3,594	5,459
Employees provision	3,947	4,000
Provision for bad debt	7	26
ACE Benefit	-	11,872
Interests	-	5,523
Other	5,522	5,226
<b>Total deferred tax assets</b>	<b>13,070</b>	<b>32,106</b>
<b>Provision for deferred tax liabilities</b>		
Pirelli Brand	(633,330)	(633,330)
Exchange differences not realised	(1,375)	(3,575)
Employees provision	(61)	(50)
<b>Total provision for deferred tax liabilities</b>	<b>(634,766)</b>	<b>(636,955)</b>
<b>Total</b>	<b>(621,696)</b>	<b>(604,849)</b>

At December 31, 2025, the value of unrecognised deferred tax assets relating to interest expense amounted to euro 25,856 thousand (unchanged compared to December 31, 2024).

The tax effect of gains and losses recorded in OCI was positive for euro 2,189 thousand (positive for euro 3,477 thousand in 2024), and is disclosed in the Comprehensive income statement; these changes were mainly due to the tax effects associated with actuarial gains/losses on employee benefits obligations and to the adjustment of derivatives in cash flow hedges to their fair value.

## 25. TAX PAYABLES

These amounted to euro 79,669 thousand at December 31, 2025 (euro 23,074 thousand at December 31, 2024) and include payables to subsidiaries that adhere to the tax consolidation, which arose following the transfer to Pirelli & C. S.p.A. of the credit for withholding taxes incurred abroad by the subsidiaries (WHT) for euro 35,530 thousand and IRES debt for euro 44,138 thousand.

## 26. COMMITMENTS AND RISKS

### LEASE CONTRACT COMMITMENTS

At December 31, 2025, there were no commitments for lease contracts.

### OTHER COMMITMENTS

They refer to the company's commitment together with other companies of the Group and limited to its own tax burden, to acquire an amount of tax credits (the so-called "Superbonus Credits") for the three-year period 2025-2027 from a bank of primary credit standing for a total remaining amount at December 31, 2025 of euro 340 million, with almost immediate use to offset tax and social security debts of various kinds.

### LITIGATION AGAINST THE COMPANIES OF THE PRYSMIAN GROUP

In 2024, Pirelli and Prysmian filed an appeal before the Court of Appeal of Milan against the judgment of the Court of Milan published in May 2024, concerning the ongoing dispute between them.

The Court had established that Pirelli and Prysmian Cavi e Sistemi S.r.l. ("Prysmian CS") were to jointly bear, in equal measure, the European Commission's sanction (already paid by these parties) as well as any damages that they may be ordered to pay jointly and severally in the follow-on proceedings brought by Terna, leaving it to the national courts in the other follow-on proceedings to determine the allocation of any damages (see below - *Other Disputes Consequent to the Decision of the European Commission*) and rejecting the respective claims for full indemnity brought by the parties.

In March 2026, the judgment of the Court of Appeal of Milan was published, which confirmed the first instance judgment, rejecting the appeals filed by both parties. The filing of an appeal before the Court of Cassation is currently under evaluation.

The litigation is following the decision issued on April 2, 2014 by the European Commission (then confirmed in the final instance by the Court of Justice of the European Union on October 28, 2020) at the conclusion of the antitrust investigation in relation to restrictive practices of competition in the European market for high voltage electric cables. The Commission's decision had imposed a sanction on (Prysmian CS) as directly involved in the cartel, of which a part (euro 67 million), Pirelli, despite having been found to not have been involved directly in the activities of said cartel, was held as being jointly liable with Prysmian CS, based solely on the

application of the EU principle of parental liability, in that during part of the period of the infringement, the capital of the current Prysmian CS was directly or indirectly held by Pirelli.

On December 31, 2020, Pirelli paid its portion of the aforementioned sanction in favor of the European Commission (corresponding to 50% of this sanction, plus interest), in relation to which it had previously made the appropriate provisions.

Pending the settlement of the aforementioned community proceeding, in 2014 and 2019, Pirelli took two actions before the Court of Milan against Prysmian CS (the first) and against Prysmian CS and Prysmian S.p.A. (the second) in order to obtain, in addition to the reimbursement of the sanction imposed by the European Commission, the order to hold it harmless and indemnified from any burden, expense, cost and/or damage resulting from claims of public and/or private third parties relating, connected and/or consequential to the facts covered by the European Commission's decision.

Pirelli also requested to ascertain the liability of Prysmian CS and Prysmian S.p.A. in relation to certain illegal conduct connected to the aforementioned anti-competitive agreement, carried out by the same and, as a result, the conviction to compensation for all damages suffered and being suffered by Pirelli.

Prysmian CS and Prysmian S.p.A. appeared in the aforementioned judgments, requesting the rejection of Pirelli's claims and, as counter-claim, to be held harmless and indemnified by Pirelli in relation to any consequences deriving from claims of private and/or public third parties relating, connected and/or consequential to the facts covered by the decision of the European Commission.

In April 2021, the two judgments (the one of 2014 and the one of 2019) were merged and subsequently merged with them, in 2022, were also two segments of the judgment introduced by Terna S.p.A. - Rete Elettrica Nazionale ("Terna") against, among others, Pirelli, Prysmian CS and Prysmian S.p.A.; in the context of said segments, Pirelli, on the one hand, and Prysmian CS and Prysmian S.p.A., on the other hand, made mutual requests for indemnity with respect to what they had to pay to Terna (see below - *section Other litigation consequent to the European Commission Decision*).

On the basis of thorough analysis supported by authoritative external legal opinions, the evaluation of the risk relative to the litigation described above is such as to not require the allocation of any specific provision in the Separate Financial Statements at December 31, 2025.

### OTHER LITIGATION CONSEQUENT TO THE EUROPEAN COMMISSION DECISION (FOLLOW-ON)

In November 2015, some companies of the Prysmian Group notified Pirelli of proceedings for the recovery of damages before the High Court of Justice of London against them and other recipients of the European Commission Decision of April 2, 2014 by National Grid and Scottish Power, companies that claim to have been injured by the cartel. Specifically, the companies of the Prysmian Group requested that Pirelli,

based on its role of parent company for a part of the period of the cartel, hold them harmless in respect of any obligations to pay any damages claims (to date unquantified) by National Grid and Scottish Power. As the aforementioned legal action is pending before the Court of Milan, filed in November 2014, Pirelli challenged the lack of jurisdiction of the High Court of Justice of London arguing that any decision on the merits should be assigned to the Court previously referred to. In April 2016, the High Court of Justice, at the request of Pirelli and the companies of the Prysmian Group, suspended the proceedings against Pirelli until the final passing of judgment that will define the Italian judgment already pending.

In April 2019, Terna summoned Pirelli, three Prysmian Group companies and another company recipient of the aforementioned European Commission decision, before the Court of Milan, to obtain compensation for the damage allegedly suffered as a result of the anti-competitive conduct, currently quantified by the claimant as a total of euro 199.9 million. Pirelli appeared in court contesting the claims made by Terna and filing, like the other defendants and against them, a counter-claim in recourse for the denied case in which it was held jointly liable for the anti-competitive agreement.

In October 2021, the Judge removed from the proceedings the fragment of the dispute consisting of the “cross” indemnity requests mutually made between Pirelli, on the one hand, and Prysmian CS and Prysmian S.p.A., arranging for a meeting with the pending judgment between them before the Court of Milan (see above – *Litigation against the companies of the Prysmian Group*).

Lastly, also in April 2019, the Electricity and Water Authority of Bahrain, the GCC Interconnection Authority, the Kuwait Ministry of Electricity and Water and the Oman Electricity Transmission Company, served a summons against Pirelli, some Prysmian Group companies and others recipients of the aforementioned European Commission decision, jointly agreeing with each other to obtain compensation for the damage allegedly suffered as a result of the alleged anti-competitive conduct, overall quantified during the case at euro 472 million. These proceedings were brought before the Court of Amsterdam, which, with its ruling of November 25, 2020, upheld the objection raised by Pirelli and excluded its jurisdiction over Pirelli itself. In February 2021, the plaintiffs lodged an appeal against this ruling before the Court of Appeal

of Amsterdam, proceedings currently suspended following an incidental question raised by the Court of Appeal of Amsterdam before the Court of Justice of the European Union.

On the basis of thorough analysis supported by authoritative external legal opinions, the evaluation of the risk relative to the disputes described above is such as to not require the allocation of any specific provision in the Separate Financial Statements at December 31, 2025.

## US CLASS ACTIONS

On January 30, 2024, the European Commission announced the launch of an investigation into certain tyre manufacturers operating in the European Economic Area, for alleged infringements of EU competition law, with reference to a hypothetical coordination of prices of new replacement tyres for cars and trucks intended for sale in the European Economic Area. At the same time, the Commission conducted inspections at the offices of the aforementioned tyre manufacturers, including those of Pirelli. The latter confirmed the correctness of its actions and that it has always acted in compliance with applicable antitrust regulations.

Following the announcement of the aforementioned activity by the European Commission, in February 2024, several class actions were launched – later consolidated into a single proceeding – before the US Courts, relating to alleged similar issues that occurred in the United States; the compensation claims were not quantified.

In February 2025, the Federal Court of Ohio, before which the class actions had been consolidated, dismissed the plaintiffs’ appeal in its entirety, granting them a deadline to possibly file a new complaint based on different arguments, which was filed in April 2025.

In March 2026, the first instance judge issued a decision definitively dismissing (“with prejudice”) all claims of the plaintiffs.

On the basis of the assessment carried out, supported by authoritative opinions of external lawyers, Pirelli, also in light of the few elements available to date, did not deem it necessary to record any specific provision in the Separate Financial Statements at December 31, 2025.

## 27. REVENUES FROM SALES AND SERVICES

Revenues from sales and services amounted to euro 86,952 thousand for 2025 compared to euro 86,322 thousand in 2024 and the breakdown is as follows:

(in thousands of euro)

	2025	2024
Sales of services to subsidiaries	86,908	86,267
Sales of services to other companies	44	55
<b>Total revenues from sales and services</b>	<b>86,952</b>	<b>86,322</b>

Revenues from subsidiaries refer to services provided by the central functions.

## 28. OTHER INCOME

Other income amounted to euro 137,031 thousand in 2025 (euro 142,757 thousand in 2024), and the breakdown is as follows:

(in thousands of euro)

	2025	2024
Other income from subsidiaries	125,811	132,799
Other revenues from third parties	11,220	9,958
<b>Other income from other companies</b>	<b>137,031</b>	<b>142,757</b>

Other income from subsidiaries mainly includes royalties accrued from Group companies for the use of the brand (euro 117,594 thousand in 2025 compared to euro 97,869 thousand in 2024) and the charge-back of costs to subsidiaries (euro 8,217 thousand in 2025 compared to euro 34,930 thousand in 2024).

Other income from other companies mainly includes royalties paid by other companies for the use of the Pirelli brand (euro 2,832 thousand in 2025 compared to euro 3,014 thousand in 2024) and tax refunds for euro 5,812 thousand in 2025 (4,158 thousand in 2024).

## 29. RAW MATERIALS AND CONSUMABLES USED

They amounted to euro 282 thousand in 2025 (euro 282 thousand in 2024) and include purchases of advertising material, fuels and various materials.

## 30. PERSONNEL COSTS

Personnel costs amounted to euro 75,321 thousand (euro 75,931 thousand in 2024), and the breakdown is as follows:

(in thousands of euro)

	2025	2024
Wages and salaries	60,397	61,273
Social security and welfare contributions	10,395	10,624
Employee leaving indemnities	2,489	2,393
Retirement and similar obligations	1,045	718
Other costs	995	923
<b>Total</b>	<b>75,321</b>	<b>75,931</b>

### AVERAGE EMPLOYEES

The average number of employees, divided by category, is as follows:

	2025	2024
Executives	96	93
White collar staff	341	332
Blue collar staff	2	3
<b>Total</b>	<b>439</b>	<b>428</b>

## 31. DEPRECIATION, AMORTISATION AND IMPAIRMENT

The breakdown of the item is as follows:

(in thousands of euro)

	2025	2024
Amortisation - intangible assets	3,035	2,539
Depreciation - property, plant and equipment (excl. Depreciation of Right of Use)	1,783	1,939
Depreciation of right of use	6,508	6,284
<b>Total depreciation, amortisation and impairments</b>	<b>11,326</b>	<b>10,762</b>

For the breakdown of the amortisation of the rights of use, see note 8.2 - Rights of use.

## 32. OTHER COSTS

The breakdown of other costs is the following:

(in thousands of euro)

	2025	2024
Advertising and sponsorship	23,637	51,751
Remuneration of Directors and supervisory bodies	25,513	26,655
Consultancy and collaboration services	20,035	17,465
IT expenses	10,370	8,433
Travel expenses	5,084	5,249
Legal and notarial expenses	768	4,501
Insurance premiums	4,705	3,779
Membership fees and contributions	3,122	3,269
Security service	2,884	2,538
Property maintenance	2,845	2,526
Energy, gas and water expenses	1,517	1,474
Patents and trademarks expenses	555	879
Rental and lease instalments	493	558
Cleaning and property ordinary maintenance expenses	104	130
Accruals to provisions	520	65
Other	4,337	7,742
<b>Total other costs</b>	<b>106,489</b>	<b>137,014</b>

The item **advertising and sponsorship** decreased compared to 2024, due to fewer costs related to sponsorship contracts for sporting events that took place in 2025.

The item **Leases and rentals** includes costs relating to the application of the accounting standard IFRS 16, in particular:

- euro 153 thousand for lease contracts with a duration of less than twelve months (euro 213 thousand in 2024);
- euro 217 thousand for lease contracts for low unit value assets (euro 201 thousand in 2024).

## 33. NET IMPAIRMENT OF FINANCIAL ASSETS

The value of the net impairment of financial assets is positive for euro 81 thousand in 2025 (negative for euro 56 thousand for 2024).

## 34. RESULT FROM INVESTMENTS

### 34.1 GAINS ON EQUITY INVESTMENTS

No gains on equity investments in 2025, and in the previous year.

### 34.2 LOSSES ON EQUITY INVESTMENTS

In 2025, the item includes the impairment of euro 5,780 thousand on the investment in the subsidiary Pirelli UK Ltd and the allocation of euro 1,200 thousand to the provision for losses of investee companies, also relating to the same company.

In 2024, there was a provision for losses of euro 19,500 thousand for the subsidiary Pirelli Uk Ltd. Furthermore an impairment loss was recorded for investments in Pirelli Ltda for euro 2,500 thousand and in Eurostazioni S.p.A. for euro 1,031 thousand.

### 34.3 DIVIDENDS

They amounted to euro 308,501 thousand in 2025 compared to euro 342,924 thousand in 2024, and the breakdown is as follows:

(in thousands of euro)

	2025	2024
From subsidiaries:		
- Pirelli Tyre S.p.A.	262,621	325,000
- Pirelli Group Reinsurance Company SA	3,125	5,120
- Pirelli Sistemi Informativi S.r.l.	1,400	900
- Pirelli International Treasury S.p.A.	7,608	4,877
- Pirelli Servizi e Amministrazione Tesoreria S.p.A.	340	380
From associates		
- Eurostazioni S.p.A.	-	2,808
From other financial assets:		
- RCS S.p.A.	1,729	1,729
- Fin. Priv. S.r.l.	31,678	2,110
<b>Total</b>	<b>308,501</b>	<b>342,924</b>

## 35. FINANCIAL INCOME

The breakdown of the item is as follows:

(in thousands of euro)

	2025	2024
Interest and other financial income	58,109	87,955
Valuation at fair value of derivatives	-	473
Net gains on exchange rates	-	6
Valuation at fair value of derivatives	-	79
<b>Total financial income</b>	<b>58,109</b>	<b>88,513</b>

The item **interest and other financial income** mainly includes euro 46,882 thousand of interest accrued on loans disbursed in 2025 in favour of subsidiaries and euro 7,910 thousand of interest accrued on the interest-bearing current account with Pirelli International Treasury S.p.A.

## 36. FINANCIAL EXPENSES

The breakdown of the item is as follows:

(in thousands of euro)

	2025	2024
Interest and other financial expenses	100,961	127,864
Commissions	2,688	2,877
Interest expenses on lease liability	1,230	1,504
Net interest on employee benefit obligations	113	111
Net exchange rate losses	49	-
Valuation at fair value of derivatives	45	-
<b>Total financial expenses</b>	<b>105,086</b>	<b>132,356</b>

**Interest and other financial expenses** totalling euro 100,961 thousand (euro 127,864 thousand in 2024) mainly include:

- euro 49,397 thousand for the bank loan lines held;
- euro 61,007 thousand of financial expenses relating to bond loans, of which euro 26,705 thousand relating to the “Bond loan SLB EUR 600 mln, 4.25% due 01/28”, euro 24,626 thousand relating to the “Bond loan SLB EUR 600 mln 3.875% due 07/29”, euro 9,675 thousand relating to monetary and non-monetary interest on the “Convertible Bond Loan”
- euro 9,631 thousand for net interest income, including interest on Interest Rate Swaps, for which hedge accounting was adopted, to adjust the flow of financial expenses of the bank lines and bonds referred to in the previous points. For further details, refer to as reported in note 17 “Derivative financial instruments”.

## 37. TAXES

The breakdown of taxes is as follows:

(in thousands of euro)

	2025	2024
Current taxes	(19,039)	(51,273)
Deferred taxes	19,036	30,331
<b>Total income taxes</b>	<b>(3)</b>	<b>(20,942)</b>

**Taxes** for 2025 are positive by euro 3 thousand compared to a positive value of euro 20,942 thousand in 2024. The change is mainly attributable to the exhaustion of the ACE benefit.

The table below shows the reconciliation of the effective tax rate with the theoretical rate of the Parent Company:

(in thousands of euro)

	2025	2024
<b>A) Profit/(loss) before taxes</b>	285,189	281,083
<b>B) Theoretical taxes</b>	<b>68,445</b>	<b>67,460</b>
<i>Main causes that give rise to changes between theoretical and effective taxes:</i>		
Dividends and gains from investments not subject to taxation	(70,338)	(78,186)
IRAP	188	-
Tax incentives	(17)	(16)
Loss on investments	1,675	5,527
Non-deductible costs and other items	44	2,236
Deferred tax assets on previous tax losses and other temporary differences	-	(17,963)
<b>C) Effective taxes</b>	<b>(3)</b>	<b>(20,942)</b>
Theoretical tax rate (B/A)	24%	24.0%
Effective tax rate (C/A)	0.0%	-7.5%

## TAX CONSOLIDATION

It shall be noted that starting from 2004, the Company exercised the option for consolidated taxation as consolidator, pursuant to article 117 and following of the TUIR, with regulation of relations arising from adhesion to consolidation through a special Regulation, which involves a common procedure for the application of laws and regulations.

Said regulation was updated in subsequent years as a result of amendments made within the companies participating in the agreement and the related shareholding structure, as well as in light of the corrective and supplementary interventions of the relevant legislation.

The above amendments particularly concerned the remuneration of the tax losses used by the companies adhering to the consolidation. The adoption of the consolidation makes it possible to compensate, with regard to the parent company Pirelli & C. S.p.A., the taxable income or loss of the same parent company with those of its resident subsidiaries which have exercised the option, given that the tax losses accrued during periods prior to the introduction of Group taxation can be used only by companies that are eligible.

## 38. NON-RECURRING EXPENSES AND INCOME

Pursuant to Consob Communication no. DEM/6064293 of July 28, 2006, no non-recurring events were recorded in 2025.

## 39. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties mainly include transactions with subsidiaries relating to:

- services (technical, organisational, general) provided by head office;
- charge-back of royalties for the use of the brand;
- financial transactions.

All the transactions listed above are part of the ordinary management of relations between the Parent Company and the subsidiaries.

Transactions with related parties also include the fees paid to Directors and Key Managers. The statement below shows a summary of the Balance Sheet, Income Statement and Cash Flow Statement that include transactions with related parties and their impact:

(in thousands of euro)

	12/31/2025	of which related parties	% share	12/31/2024	of which related parties	% share
<b>BALANCE SHEET</b>						
<b>Non current assets</b>						
Other receivables	1,402,812	1,400,000	99.8%	387	-	0.0%
Derivative financial instruments	-	-	0.0%	4,264	4,264	100.0%
<b>Current assets</b>						
Trade receivables	57,928	56,583	97.7%	61,647	60,718	98.5%
Other receivables	333,787	313,728	94.0%	1,997,594	1,983,088	99.3%
Tax receivables	97,352	95,720	98.3%	76,071	75,107	98.7%
Derivative financial instruments	504	504	100.0%	33	33	100.0%
<b>Non-current liabilities</b>						
Provision for liabilities and charges	30,828	17,828	57.8%	39,062	19,437	49.8%
Employee benefit obligations	18,247	5,452	29.9%	17,665	3,813	21.6%
<b>Current liabilities</b>						
Payables to banks and other financial lenders	47,611	1,557	3.3%	548,295	1,191	0.2%
Trade payables	33,604	3,678	10.9%	30,534	3,757	12.3%
Other payables	69,608	32,628	46.9%	77,043	32,248	41.9%
Tax payables	79,669	30,609	38.4%	23,074	22,779	98.7%
Derivative financial instruments	8	8	100.0%	8	8	100.0%

(in thousands of euro)

	2025	of which related parties	% share	2024	of which related parties	% share
<b>INCOME STATEMENT</b>						
Revenues from sales and services	86,952	86,932	100.0%	86,322	86,303	100.0%
Other income	137,031	125,931	91.9%	142,757	132,932	93.1%
Personnel expenses	(75,321)	(10,114)	13.4%	(75,931)	(11,061)	14.6%
Other costs	(106,489)	(39,982)	37.5%	(137,014)	(40,634)	29.7%
Losses on equity investments	(6,980)	(6,980)	100.0%	(23,031)	(23,031)	100.0%
Dividends	308,500	275,094	89.2%	342,924	339,085	98.9%
Financial income	58,109	54,791	94.3%	88,513	87,982	99.4%
Financial expenses	(105,086)	4,183	n.a.	(132,356)	11,902	n.a.

(in thousands of euro)

	2025	of which related parties	% share	2024	of which related parties	% share
<b>CASH FLOW STATEMENT</b>						
Net cash flows provided by/(used in) operating activities	79,656	153,427	n.a.	15,055	123,028	n.a.
Net cash provided/(used) by investment activities	261,982	218,613	n.a.	345,576	344,285	n.a.
Net cash provided/(used) by financing activities	(341,595)	333,511	n.a.	(360,615)	2,998	n.a.

The equity and economic effects and financial flows of transactions with related parties for the year ended December 31, 2025 are detailed below.

(in thousands of euro)

	Subsidiaries	Associates	Other related parties	Directors and Key Managers	Total 12/31/2025
Other receivables - non current	1,400,000		-	-	1,400,000
Trade receivables	56,419	164	-	-	56,583
Other receivables - current	313,728	-	-	-	313,728
Tax receivables	95,720	-	-	-	95,720
Derivative financial instruments (current assets)	504	-	-	-	504
Provision for liabilities and charges (Non-current liabilities)	-	-	-	17,828	17,828
Employee benefit obligations (Non-current liabilities)	-	-	-	5,452	5,452
Payables to banks and other lenders (current liabilities)	1,557	-	-	-	1,557
Trade payables	3,577	101	-	-	3,678
Other payables (current liabilities)	10,807	-	-	21,821	32,628
Tax payables	30,609	-	-	-	30,609
Derivative financial instruments (current liabilities)	8	-	-	-	8

(in thousands of euro)

	Subsidiaries	Associates	Other related parties	Directors and Key Managers	Total 2025
Revenues from sales and services	86,908		24	-	86,932
Other income	125,811	91	29	-	125,931
Personnel expenses	-	-	-	(10,114)	(10,114)
Other costs	(14,624)	(369)	-	(24,989)	(39,982)
Losses from investments	(6,980)	-	-	-	(6,980)
Dividends	275,094	-	-	-	275,094
Financial income	54,791	-	-	-	54,791
Financial expenses	4,183	-	-	-	4,183

(in thousands of euro)

	Subsidiaries	Associates	Other related parties	Directors and Key Managers	Total 2025
Net income (loss) before taxes	525,183	(278)	52	(35,103)	489,854
Reversal of accruals/releases	-	-	-	11,101	11,101
Reversal of (Financial income)/financial expenses	(58,974)	-	-	-	(58,974)
Reversal of Dividends	(275,094)	-	-	-	(275,094)
Reversal of (gain)/losses on investments	6,980	-	-	-	6,980
Change in Trade receivables	4,216	(91)	11	-	4,136
Change in Trade payables	(51)	(28)	-	-	(79)
Change in Other receivables	(1,018)	-	-	-	(1,018)
Change in Other payables	1,582	-	-	(7,182)	(5,600)
Change in Tax receivables/Tax payables	(12,784)	-	-	-	(12,784)
Use of Other provisions	-	-	-	(5,090)	(5,090)
<b>Net cash flows provided by/(used in) operating activities</b>	<b>190,040</b>	<b>(397)</b>	<b>63</b>	<b>(36,274)</b>	<b>153,431</b>
Reimbursement of share capital and reserves from associates	(56,480)	-	-	-	(56,480)
Dividends received	275,094	-	-	-	275,094
<b>Net cash provided/(used) by investment activities</b>	<b>218,613</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>218,613</b>
Change in Financial receivables	244,662	-	-	-	244,662
Financial income	80,507	-	-	-	80,507
Financial expenses	8,342	-	-	-	8,342
<b>Net cash provided/(used) by financing activities</b>	<b>333,511</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>333,511</b>

Below is a breakdown of the equity and economic effects and financial flows of transactions with related parties for the previous year:

(in thousands of euro)

	Subsidiaries	Associates	Other related parties	Directors and Key Managers	Total 12/31/2024
Trade receivables	4,264	-	-	-	4,264
Other current receivables	60,635	73	11	-	60,718
Tax receivables	1,983,088	-	-	-	1,983,088
Derivative financial instruments (current assets)	75,107	-	-	-	75,107
Other payables (Non-current liabilities)	33	-	-	-	33
Employee benefit obligations (Non-current liabilities)	-	-	-	19,437	19,437
Derivative financial instruments (non-current liabilities)	-	-	-	3,813	3,813
Payables to banks and other lenders (current liabilities)	1,191	-	-	-	1,191
Trade payables	3,628	129	-	-	3,757
Other payables (current liabilities)	11,964	-	-	20,284	32,248
Tax payables	22,779	-	-	-	22,779
Derivative financial instruments (current liabilities)	8	-	-	-	8

(in thousands of euro)

	Subsidiaries	Associates	Other related parties	Directors and Key Managers	Total 2024
Revenues from sales and services	86,267	-	36	-	86,303
Other income	132,799	69	63	-	132,932
Personnel expenses	-	-	-	(11,061)	(11,061)
Other costs	(14,550)	(362)	-	(25,722)	(40,634)
Losses from investments	(22,000)	(1,031)	-	-	(23,031)
Dividends	336,276	2,808	-	-	339,085
Financial income	87,982	-	-	-	87,982
Financial expenses	11,902	-	-	-	11,902

	Subsidiaries	Associates	Other related parties	Directors and Key Managers	Total 2024
Net income (loss) before taxes	618,677	1,485	99	(36,783)	583,478
Reversal of accruals/releases	-	-	-	12,400	12,400
Reversal of (Financial income)/financial expenses	(99,884)	-	-	-	(99,884)
Reversal of Dividends	(336,276)	(2,808)	-	-	(339,085)
Reversal of (gain)/losses on investments	22,000	1,031	-	-	23,031
Change in Trade receivables	(5,989)	(69)	23	-	(6,035)
Change in Trade payables	205	129	-	-	334
Change in Other receivables	2,950	-	-	-	2,950
Change in Other payables	(1,276)	-	-	(5,636)	(6,912)
Change in Tax receivables/Tax payables	(38,482)	-	-	-	(38,482)
Use of Other provisions	-	-	-	(8,768)	(8,768)
<b>Net cash flows provided by/(used in) operating activities</b>	<b>161,926</b>	<b>(233)</b>	<b>122</b>	<b>(38,787)</b>	<b>123,028</b>
Disposal/(Acquisition) of investments in subsidiaries	-	5,201	-	-	5,201
Dividends received	336,276	2,808	-	-	339,085
<b>Net cash provided/(used) by investment activities</b>	<b>336,276</b>	<b>8,009</b>	<b>-</b>	<b>-</b>	<b>344,285</b>
Change in Financial receivables	(105,781)	-	-	-	(105,781)
Financial income	87,982	-	-	-	87,982
Financial expenses	20,797	-	-	-	20,797
<b>Net cash provided/(used) by financing activities</b>	<b>2,998</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,998</b>

## TRANSACTIONS WITH SUBSIDIARIES

### TRANSACTIONS – BALANCE SHEET

Other **receivables (non-current assets)** for euro 1,400,000 thousand (nil at December 31, 2024) refer to a loan granted to Pirelli International Treasury S.p.A., taken out on January 31, 2025, with maturity on February 16, 2027.

**Derivative financial instruments (non-current assets)** were zero at December 31, 2025 compared to a value of euro 4,264 thousand at December 31, 2024.

**Trade receivables** from subsidiaries amounted to euro 56,419 thousand (euro 60,635 thousand at December 31, 2024) and mainly refer to receivables for services/provisions provided to group companies (euro 33,306 thousand from Pirelli Tyre S.p.A., euro 19,144 thousand from Limited Liability Company Pirelli Tyre Russia, euro 2,271 thousand from Pirelli Group Reinsurance Company SA, euro 327 thousand from Pirelli Tyre Co., Ltd., euro 257 thousand from Pirelli Tire LLC, euro 126 thousand from Pirelli Neumaticos S.A. DE C.V., euro 119 thousand from Pirelli Industrie Pneumatici S.r.l.).

**Other receivables (current assets)** amounted to euro 313,728 thousand (euro 1,983,088 thousand at December 31, 2024) and include euro 305,057 thousand in relation to the intragroup current account with Pirelli International Treasury S.p.A., euro 7,091 thousand in interest accrued but not yet paid relating to the loan to Pirelli International Treasury S.p.A., and euro 1,580 thousand in relation to VAT credits transferred from subsidiaries (of which euro 697 thousand to Pirelli Industrie Pneumatici S.r.l., of which euro 667 thousand to Pirelli Sistemi Informativi S.r.l., euro 202 thousand to Pirelli Servizi

Amministrazione e Tesoreria S.p.A. and euro 14 thousand to Pirelli International Treasury S.p.A.). The figure at December 31, 2024 included the loan of euro 1,700,000 thousand granted to Pirelli International Treasury S.p.A., which expired on January 31, 2025.

**Tax receivables** amounted to euro 95,720 thousand (euro 75,107 thousand at December 31, 2024) and refer to receivables from Group companies that adhere to tax consolidation (mainly euro 83,146 thousand from Pirelli Tyre S.p.A., euro 8,370 thousand from Pirelli International Treasury S.p.A., euro 3,693 thousand from Pirelli Industrie Pneumatici S.r.l., euro 269 thousand from Pirelli Sistemi Informativi S.r.l.).

**Derivative financial instruments (current assets)** for euro 504 thousand (euro 33 thousand at December 31, 2024) refer to hedging transactions with Pirelli International Treasury S.p.A.

**Payables to banks and other lenders** to subsidiaries amounted to euro 1,557 thousand (euro 1,191 thousand at December 31, 2024) and refer to accrued interest arising from hedging transactions carried out with Pirelli International Treasury S.p.A..

**Trade payables** amounted to euro 3,577 thousand (euro 3,628 thousand at December 31, 2024) and mainly refer to payables for the provision of services. These payables mainly refer for euro 1,874 thousand to Pirelli Tyre S.p.A. and for euro 1,250 thousand to HB Servizi S.r.l.

**Other payables (current liabilities)** to subsidiaries amounted to euro 10,807 thousand (euro 11,964 thousand at December 31, 2024) and mainly refer to payables with Group companies that adhere to the VAT consolidation. The main ones are: euro 10,684 thousand to Pirelli Tyre S.p.A., and euro 51 thousand to Driver Servizi Retail S.p.A.

**Tax payables** amounted to euro 30,609 thousand (euro 22,779 thousand at December 31, 2024) and refer to payables to subsidiaries that adhere to tax consolidation (euro 23,800 thousand to Pirelli Tyre S.p.A., euro 6,809 thousand to Pirelli International Treasury S.p.A.).

The amount of euro 8 thousand (euro 8 thousand at December 31, 2024) of **derivative financial instruments – current liabilities** refers to hedging transactions with Pirelli International Treasury S.p.A.

## TRANSACTIONS – INCOME STATEMENT

**Revenues from sales and services** to subsidiaries amounted to euro 86,908 thousand in 2025 (euro 86,267 thousand in 2024) and mainly refer to service contracts. The main transactions with subsidiaries are: euro 83,886 thousand with Pirelli Tyre S.p.A., euro 640 thousand with Pirelli Servizi Amministrazione e Tesoreria S.p.A., euro 637 thousand with Pirelli Sistemi Informativi S.r.l., euro 617 thousand with Pirelli Industrie Pneumatici S.r.l., euro 394 thousand with Pirelli International Treasury S.p.A., euro 235 thousand with HB Servizi S.r.l..

**Other income** from subsidiaries amounting to euro 125,811 thousand in 2025 (euro 132,799 thousand in 2024) mainly refers to: royalties (euro 90,025 thousand from Pirelli Tyre S.p.A., euro 22,958 thousand from Limited Liability Company Pirelli Tyre Russia, euro 4,507 thousand from Pirelli Group Reinsurance Company SA, euro 10 thousand from Pirelli International Treasury S.p.A.); revenues from expenses relating to personnel seconded to other group companies (euro 809 thousand from Pirelli Tire LLC., euro 530 thousand from Pirelli Tyre Co. Ltd. and euro 498 thousand from Pirelli Tyre (Suisse) SA); cost recovery (euro 4,419 thousand from Pirelli Tyre S.p.A.).

Other **costs** to subsidiaries amounting to euro 14,624 thousand in 2025 (euro 14,550 thousand in 2024) mainly refer to charges for services and various costs (euro 5,089 thousand Pirelli Tyre S.p.A., euro 5,000 thousand HB Servizi S.r.l., euro 2,619 thousand Pirelli Sistemi Informativi S.r.l., euro 1,130 thousand Pirelli Servizi Amministrazione e Tesoreria S.p.A.).

The item **losses from investments** includes the impairment of euro 5,780 thousand on the investment in the subsidiary Pirelli UK Ltd and the allocation to the provision for losses of investee companies of euro 1,200 thousand, also relating to the same subsidiary.

**Dividends** of euro 275,094 thousand in 2025 (euro 336,276 thousand in 2024) refer to dividends approved and collected during the year (euro 262,621 thousand from Pirelli Tyre S.p.A., euro 7,608 thousand from Pirelli International Treasury S.p.A., euro 3,125 thousand from Pirelli Group Reinsurance Company SA, euro 1,400 thousand from Pirelli Sistemi Informativi S.r.l. and euro 340 thousand from Pirelli Servizi Amministrazione e Tesoreria S.p.A.).

**Financial income** for euro 54,791 thousand in 2025 (euro 87,982 thousand in 2024) mainly refers to interest income on receivables from Pirelli International Treasury S.p.A..

**Financial expenses** positive for euro 4,183 thousand in 2025 (positive for euro 11,902 thousand in 2024) mainly refer to interest income on hedging instruments stipulated with Pirelli International Treasury S.p.A.

## TRANSACTIONS WITH ASSOCIATED COMPANIES

### TRANSACTIONS – BALANCE SHEET

**Trade receivables** from associated companies amounted to euro 164 thousand in 2025 (euro 73 thousand in 2024) and refer to receivables for services/provisions provided to the associate Jining Shenzhou Tyres Co for euro 94 thousand and to the associate PT Evoluzione Tyres for euro 70 thousand euro.

**Trade payables** to associated companies amounted to euro 101 thousand (euro 129 thousand in 2024) and refer to payables to the Consortium for the Research of Advanced Materials (CORIMAV).

## TRANSACTIONS – INCOME STATEMENT

**Other income** from associated companies amounted to euro 91 thousand (euro 69 thousand in 2024) and refers to royalties paid to the associate Jining Shenzhou Tyres Co. for euro 47 thousand and to the associate PT Evoluzione Tyres for euro 44 thousand.

**Other costs** to associated companies amounted to euro 369 thousand in 2025 (euro 362 thousand in 2024) and refer to relations with the Consortium for Research on Advanced Materials (CORIMAV).

**Losses from investments** in associated companies were zero in 2025 (euro 1,031 thousand in 2024). The 2024 financial year value referred to the impairment of the investment Eurostazioni S.p.A., following the reduction in share capital and legal reserve, as per the shareholders' resolution of December 18, 2024.

**Dividends** were nil in 2025 (euro 2,808 thousand in 2024). The value for the 2024 financial year referred to dividends approved and collected by the associate Eurostazioni S.p.A..

## TRANSACTIONS WITH OTHER RELATED PARTIES

### TRANSACTIONS – BALANCE SHEET

**Trade receivables** from other related parties were zero at December 31, 2025 (euro 11 thousand in 2024) and in 2024, they included commercial relations with the Prometeon Group, a company belonging to the Sinochem group and the Hangar Bicocca Foundation - Space for Contemporary Art.

### TRANSACTIONS – INCOME STATEMENT

**Revenues from sales and services** from other related parties for euro 24 thousand in 2025 (euro 36 thousand in 2024) refer to services/provisions with Camfin S.p.A.

**Other income** from other related parties for euro 29 thousand in 2025 (euro 63 thousand in 2024) refers to service contracts in place with Marco Tronchetti Provera & C. S.p.A..

## TRANSACTIONS WITH DIRECTORS AND KEY MANAGERS

Equity and economic transactions regarding Directors and Key Managers can be detailed as follows.

The balance sheet items **provisions for risks and liabilities** and **employee benefit obligations (non-current liabilities)** include the long-term benefits relating to the three-year monetary incentive plans Long Term Incentive 2024-2026 and 2025-2027 for euro 7,115 thousand, the short-term benefits terms relating to the Short Term Incentive plan for

euro 4,972 thousand, as well as end-of-term indemnity for euro 11,194 thousand.

The balance sheet item **other current payables** includes the short-term portion relating to the Long Term Incentive and Short term Incentive plans.

The income statement items **personnel costs** and **other costs** include euro 2,603 thousand relating to employees' leaving indemnities and end-of-term indemnity (euro 3,080 thousand in 2024), as well as short-term benefits for euro 11,210 thousand (euro 12,675 thousand in 2024) and long-term benefits for euro 11,379 thousand (euro 11,217 thousand in 2024).

## 40. OTHER INFORMATION

### DIRECTORS AND AUDITORS' FEES

The fees due to Directors of Pirelli & C. S.p.A. amounted to euro 24,989 thousand in 2025 (euro 25,722 thousand in 2024). The fees due to the Statutory Auditors for the function performed at Pirelli & C. S.p.A. amounted to euro 565 thousand in 2025 (euro 495 thousand in 2024).

### INDEPENDENT AUDITORS' FEES

For the fees for the 2025 financial year for the auditing activities and other services rendered by the independent auditors PricewaterhouseCoopers S.p.A., references is made to the information contained in the explanatory notes to the Consolidated Financial Statements.

### DISCLOSURE REQUESTED BY LAW NO. 124/2017 ARTICLE 1 PARAGRAPHS 125-129

Pirelli & C. S.p.A. obtained within the PNRR a concession decree from the MUR (Ministry of University and Research) for the facilitation of Research and Development activities within the Innovation Ecosystem "MUSA – Multilayered Urban Sustainability Action" up to a maximum of euro 0.4 million. In 2025 was the collection of euro 82,038.

Any information referring to the subsidiaries of Pirelli & C. S.p.A. are included in the consolidated financial statements.

## 41. ATYPICAL AND/OR UNUSUAL TRANSACTIONS

Pursuant to CONSOB Notice No. 6064293 of July 28, 2006, it is hereby specified that during the course of the 2025 financial year that no exceptional and/or unusual transactions as defined in the aforementioned Notice were carried out by the Company.

## 42. SIGNIFICANT EVENTS SUBSEQUENT TO YEAR-END

On **January 23, 2026**, Pirelli announced that it had signed a contract for new five-year multi-currency bank facilities for a total of euro 2.1 billion, with a pool of leading national and international banks. The signed agreement provides for a term loan of euro 600 million and revolving credit facilities of euro 1.5 billion. The new facilities - parameterised to the decarbonisation targets of the Group previously announced to the market, relating to Scopes 1, 2 and 3 - will replace bank facilities of the same amount maturing in 2027, and enable the extension of maturities until 2031. There is also the possibility, subject to agreement between the Company and the lending institutions, of further extending the maturity by up to a maximum of an additional two years - to 2033 - under the same contractual terms. The transaction - which is part of ongoing debt optimisation efforts - allows the Group's liquidity profile to be further strengthened, improving the overall debt structure and extending its maturities.

On **April 11, 2026**, Pirelli announced that - in relation to the so-called "Golden Power Procedures" that were launched by the Prime Ministerial Office ("**PMO**") following notifications submitted by the shareholders Camfin S.p.A. ("**Camfin**") and Marco Tronchetti Provera & C. S.p.A. ("**MTP SpA**") and China National Tire & Rubber Corporation, Ltd. ("**CNRC**") in accordance with Decree-Law 21/2012 ("**Golden Power Decree**") - on 10 April 2026, it was informed of the decree, approved on 9 April 2026, with which the Cabinet exercised the special powers of the Golden Power Decree (the "**Golden Power PMO Decree**").

The Golden Power PMO Decree, among other things, considered that Pirelli is the first operator at the global level to have invested in a technology, the Cyber Tyre, which transforms the tyre into a sensor capable of collecting sensitive information, including the condition of the tyre and its maintenance, the habits of users, driving conditions, the traceability of the state of road surfaces. In addition, in relation to the Cyber Tyre technology, the Golden Power PMO Decree also recognized that it has evolved over time to the point that it can be considered an enabling technology for different cutting edge usages, including the monitoring of critical infrastructure, advanced simulation through the realization of digital versions of physical elements (digital twins, elaborated through super computing systems), autonomous driving.

In adopting the Golden Power PMO Decree, it has therefore been confirmed that Pirelli - already having obtained the security clearance *Nulla Osta di Sicurezza Industriale Strategico* - is included among the companies that have goods or relationships of strategic importance in accordance with article 2 of the Golden Power Decree, and of articles 6 and 9 of the Prime Ministerial Decree of 18 December 2020, no. 179.

The Golden Power Decree maintained that, in the absence of a shareholders' agreement regulating Pirelli, signed by the shareholders Camfin and MTP SpA and the Sinochem Group, the need to protect the assets held by Pirelli, can be satisfied, adequately and proportionally, through the

imposition of additional measures together with the re-proposal of part of those contained in the Prime Ministerial Office Decree of 16 June 2023.

In detail, the Golden Power PMO Decree has ordered the imposition of the following specific measures to Marco Polo International Italy S.r.l. ("**Marco Polo**"):

- a) at the shareholders meeting of Pirelli, the company:
  - (i) can present a slate for the renewal of the Board of Directors of Pirelli with a maximum of three candidates, of whom two independent; it remaining that none of these, if elected to the Board of Directors, can hold company offices such as, for example and not limited to, Chairman, Vice Chairman, Chief Executive Officer, nor chair any board committees; further, none of these Directors will be given management delegations, executive powers or attributions able to influence the strategic, industrial or financial decisions of Pirelli; should the presented slate obtain the majority of votes, it cannot contribute in any way to the appointment of the Directors needed to complete the Board of Directors;
  - (ii) can present a slate of candidates for the appointment of the Board of Statutory Auditors of Pirelli with a maximum of one nomination for a standing member and one nomination for an alternate member;
- b) with the exception of any further obligations of notification that may emerge for the provisions codified by the Golden Power Decree, the measures indicated in the present decision will remain in force as long as the company Marco Polo maintains a stake in the share capital of Pirelli above 9.99%. Further, should there be a change in the context which justified the adoption of the limitation indicated in paragraph a), Marco Polo will have the option of requesting a revision of the above-mentioned measures.

The Golden Power PMO Decree, in addition, also calls for the imposition of the following specific measures to CNRC:

- a) to guarantee that Marco Polo respects the measures imposed;
- b) to not exercise activities of direction or coordination and, in particular, as detailed below, as non-exhaustive examples:
  - 1) ensure the full autonomy of Pirelli regarding relationships with customers and suppliers;
  - 2) guarantee that Pirelli prepares strategic, industrial, financial and/or budget plans autonomously for the company and the Group;
  - 3) guarantee that Pirelli is not subject to instructions from the Sinochem Group;
  - 4) not take actions or decisions or issue communications that could lead one to believe that the decisions of Pirelli are the result of an intention imposed or demanded by CNRC;
  - 5) not centralize treasury services or other assistance or coordination services (eg. cash pooling) nor other technical coordination functions (eg. integration of Pirelli's computer systems into those of Sinochem Holdings Corporation Ltd., including those of the Chinese units of Pirelli);
  - 6) not issue directives or instructions, and in any case not to coordinate initiatives, concerning decisions in the

financial or credit matters or research and development matters of Pirelli;

- 7) not issue directives regarding the execution of extraordinary operations by Pirelli, such as, for example, the listing of financial instruments, acquisitions, disposals, concentrations, conferrals, mergers, spin-offs, etc.;
- 8) not adopt determining decisions regarding the operating strategies of Pirelli nor formulate strategic directives for the group;
- 9) guarantee the absence of organizational/functional links between Pirelli on the one hand and CNRC on the other;

c) with the exception of any additional obligations of notification that may emerge from the provisions codified by the Golden Power Decree, the measures indicated in the present provision will remain in force as long as the company Marco Polo maintains a stake in the share capital of Pirelli above 9.99%. Further, should there be a change in the context which justified the adoption of the measures indicated in paragraphs a) and b), CNRC will have the option of requesting a revision of the above-mentioned limitations.

Further, the imposition of the following specific measures has been called for regarding Pirelli:

a. with the exception of the legitimate requests of shareholders tacitly foreseen by civil law and the Legislative Decree 58/1998, refuse any request outside of the normal exercising of shareholder prerogatives as well as implementing any managerial or organizational initiative from subjects deriving from the Chinese State-owned Assets Supervision and Administration Commission of the State Council ("**SASAC**"), with special reference to requests regarding:

- the sharing of the sensitive company information (non-public technical information of Pirelli, including the sensitive activities of research and development (also not directly linked to the Cyber Tyre)), or information referring to technologies covered by industrial copyright, intellectual property rights or, however, any information regarding know-how stemming from these technologies, also if in the development phase;
- the mechanism of centralized treasury managed by the company Sinochem Holding Corporation Ltd.;
- the direct access to the information, management and administration systems, including the Enterprise Resource Planning (ERP) platforms of Pirelli and of the companies it controls, including Chinese subsidiaries;
- the transfer of goods, systems and ICT services of the Pirelli group located in infrastructure situated outside of territory where European law applies and/or subjects deriving from the Chinese government;
- the transfer or sharing with subjects deriving from the

Chinese government of any data collected or processed through Cyber Tyre technology;

- commit to making sure that the communication of CNRC with Pirelli personnel involved in the above-mentioned activities is limited;
- commit to make sure that in the board committees, where instituted, that a maximum of only one member may be nominated that is an expression of the slate presented by CNRC; in any case, no committee will be composed of a majority of Directors presented by CNRC.

It also remains that the measures are relative to the organizational units predisposed for the company activities of importance for national security ("Organizzazione di Sicurezza") and to that end it is also prescribed to guarantee the presence on the Board of Directors of one component, empowered with legal representation, who: i) has exclusively Italian citizenship; ii) is in possession of suitable personal security qualifications; iii) has an exclusive mandate over the Organizzazione di Sicurezza; iv) has, in any case, the assent of the Government with regard to his or her suitability for the role with the aim of protecting goods and relationships of strategic importance for the Company.

The implementation of the measures will be subject to monitoring by the Ministry for Enterprises and Made in Italy. Pirelli is held to send to the Ministry within 30 days from the approval of the annual financial statements, beginning from those referring to 2026, a report prepared by the Board of Directors in which it communicates the measures adopted in compliance with the determinations assumed with the Golden Power PMO Decree and any other important company or corporate measures with regard to the same.

Further, with the exception of matters covered in the applicability of the Golden Power Decree requiring formal notification, CNRC must communicate to the Ministry for Enterprises and Made in Italy any transfer of shares, which in any case, should not take place in favor of subjects connected to, controlled by, controlling or however subject to the common control of SASAC.

On **16 April 2026**, the Board of Directors confirmed the 2026 targets communicated to the market on 25 February, with Adjusted EBIT expected to be at the lower end of the guidance thanks to a mitigation plan to contain the impacts of the crisis in the Middle East. For further information, please refer to the section "Outlook for 2026" in the Directors' Report on Operations.

# ANNEXES TO THE NOTES

## MOVEMENTS OF INVESTMENTS IN SUBSIDIARIES FROM 12/31/2024 TO 12/31/2025

(in thousands of euro)

	12/31/2024				Changes		12/31/2025			
	Number of shares	Carrying amount (€/thousand)	% of total investments	of which direct	Number of shares	(€/thousand)	Number of shares	Carrying amount (€/thousand)	% of total investments	of which direct
<b>INVESTMENTS IN SUBSIDIARIES</b>										
<b>ITALY</b>										
<b>Unlisted:</b>										
Pirelli Servizi Amministrazioni e Tesoreria S.p.A. - Milan	2,047,000	3,238	100.0	100.0	-	-	2,047,000	3,238	100.0	100.0
Maristel S.r.l. - Milan	1 quota	1,315	100.0	100.0	-	-	1 quota	1,315	100.0	100.0
Pirelli International Treasury SpA - Milan	37,500,000	75,000	100.0	30.0	-	-	37,500,000	75,000	100.0	30.0
Pirelli Sistemi Informativi S.r.l. - Milan	1 quota	1,655	100.0	100.0	-	-	1 quota	1,655	100.0	100.0
Pirelli Tyre S.p.A. - Milan	558,154,000	4,528,245	100.0	100.0	-	-	558,154,000	4,528,245	100.0	100.0
HB Servizi Srl - Milan	1 quota	230	100.0	100.0	-	-	1 quota	230	100.0	100.0
<b>Total investments in Italian subsidiaries</b>		4,609,683				-		4,609,683		

(in thousands of euro)

	12/31/2024				Changes		12/31/2025			
	Number of shares	Carrying amount (€/thousand)	% of total investments	of which direct	Number of shares	(€/thousand)	Number of shares	Carrying amount (€/thousand)	% of total investments	of which direct
<b>FOREIGN COMPANIES</b>										
<b>Brazil</b>										
Pirelli Ltda - Sao Paulo	13,999,991	5,920	100.0	100.0	-	-	13,999,991	5,920	100.0	100.0
Pirelli Latam Participações Ltda.	1	-	-	-	-	-	1	-	-	-
<b>UK</b>										
Pirelli UK Ltd. - London - ordinary	163,991,278	-	100.0	100.0	-	-	163,991,278	-	100.0	100.0
<b>Switzerland</b>										
Pirelli Group Reinsurance Company S.A.	300,000	6,346	100.0	100.0	-	-	300,000	6,346	100.0	100.0
<b>Total investments in foreign subsidiaries</b>		12,266				-		12,266		
<b>Total investments in subsidiaries</b>		4,621,949				-		4,621,949		

MOVEMENTS OF INVESTMENTS IN ASSOCIATES  
FROM 12/31/2024 TO 12/31/2025

(in thousands of euro)

	12/31/2024				Changes		12/31/2025			
	Number of shares	Carrying amount (€/thousand)	% of total investments	of which direct	Number of shares	(€/thousand)	Number of shares	Carrying amount (€/thousand)	% of total investments	of which direct
<b>INVESTMENTS IN ASSOCIATES</b>										
<b>ITALY Unlisted:</b>										
Consorzio per le Ricerche sui Materiali Avanzati (CORIMAV) - Milan	1 quota	104	100.0	100.0	-	-	1 quota	104	100.0	100.0
Eurostazioni S.p.A. - Rome	52,333,333	39	32.7	32.7	-	-	52,333,333	39	32.7	32.7
<b>Total unlisted companies</b>		143				-		143		
<b>Total investments in associates - Italy</b>		143				-		143		
<b>Total investments in associates</b>		143				-		143		

MOVEMENTS OF OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH  
OTHER COMPREHENSIVE INCOME FROM 12/31/2024 TO 12/31/2025

(in thousands of euro)

	12/31/2024				Changes		12/31/2025			
	Number of shares	Carrying amount (€/ thousand)	% of total investments	of which direct	Number of shares	(€/ thousand)	Number of shares	Carrying amount (€/ thousand)	% of total investments	of which direct
<b>INVESTMENTS IN OTHER COMPANIES</b>										
<b>ITALIAN LISTED COMPANIES</b>										
RCS Mediagroup S.p.A. - Milan	24,694,918	21,929	4.7	4.7	-	2,395	24,694,918	24,324	4.7	4.7
<b>Total other Italian listed companies</b>		21,929				2,395		24,324		
<b>Total other listed companies</b>		21,929				2,395		24,324		

(in thousands of euro)

	12/31/2024				Changes		12/31/2025			
	Number of shares	Carrying amount (€/ thousand)	% of total investments	of which direct	Number of shares	(€/ thousand)	Number of shares	Carrying amount (€/ thousand)	% of total investments	of which direct
<b>ITALIAN UNLISTED COMPANIES</b>										
Aree Urbane S.r.l. (in liquidazione) - Milan	1 share	-	0.3	0.3	-	-	1 share	-	0.3	0.3
C.I.R.A. - Centro Italiano di Ricerche Aerospaziali S.c.p.A. - Capua (CE)	30	-	0.1	0.1	-	-	30	-	0.1	0.1
Alitalia Compagnia Aerea Italiana S.p.A. - Rome	1,162,098,622	-	1.4	1.4	-	-	1,162,098,622	-	1.4	1.4
CEFRIEL - Società Consortile a Responsabilità limitata	1 share	-	4.9	4.9	-	-	1 share	-	4.9	4.9
Consorzio DIXIT (in liquidazione) - Milan	1 share	-	14.3	14.3	-	-	1 share	-	14.3	14.3
MIP Politecnico di Milano - Graduate School of Business Società consortile per azioni	12,000	-	2.9	2.9	-	-	12,000	-	2.9	2.9
Consorzio Milano Ricerche - Milan	1 share	-	9.0	9.0	-	-	1 share	-	9.0	9.0
Società Generale per la Progettazione										
Consulenze e Partecipazioni (ex Italconsult) S.p.A. - Rome	1,100	-	3.7	3.7	-	-	1,100	-	3.7	3.7
F.C. Internazionale Milano S.p.A. - Milan	55,805,625	-	0.4	0.4	-	-	55,805,625	-	0.4	0.4
Fin. Priv. S.r.l. - Milan	1 share	29,297	14.3	14.3	-	(29,297)	-	-	-	-
Istituto Europeo di Oncologia S.r.l. - Milan	1 share	8,580	6.1	6.1	-	326	1 share	8,906	6.1	6.1
Nomisma - Società di Studi Economici S.p.A. - Bologna	959,429	458	3.3	3.3	-	29	959,429	487	3.3	3.3
Tiglio I S.r.l. - Milan	1 share	1	0.6	0.6	-	-	1 share	1	0.6	0.6
Genextra S.p.A.	592,450	283	0.6	0.6	-	17	592,450	300	0.6	0.6
<b>Total other Italian unlisted companies</b>		38,619				(28,925)		9,694		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>		60,571				(26,554)		34,018		

LIST OF INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES  
(PURSUANT TO ART. 2427 OF THE CIVIL CODE)

(in thousands of euro)

	Legal address	Carrying amount	Share %	Share capital	Attributable equity	Attributable net income (loss)
<b>INVESTMENTS IN SUBSIDIARIES - ITALY</b>						
Pirelli Servizi Amministrazioni e Tesoreria S.p.A.	Milan	3,238	100%	2,047	3,266	259
Maristel S.p.A.	Milan	1,315	100%	50	3,347	16
Pirelli Sistemi Informativi S.r.l.	Milan	1,655	100%	1,010	3,990	1,601
Pirelli Tyre S.p.A.	Milan	4,528,245	100%	558,154	1,897,076	372,813
HB Servizi S.r.l.	Milan	230	100%	10	618	34
Pirelli International Treasury S.p.A.	Milan	75,000	30%	125,000	83,560	7,862
<b>Total investments in subsidiaries - Italy</b>		<b>4,609,683</b>				
<b>INVESTMENTS IN FOREIGN SUBSIDIARIES</b>						
<b>Switzerland</b>						
Pirelli Group Reinsurance Company S.A.	Lugano	6,346	100%	3,221	13,372	1,872
<b>Brasil</b>						
Pirelli Ltda	Sao Paulo	5,920	100%	2,164	(1,528)	978
<b>UK</b>						
Pirelli UK Ltd.	London	-	100%	241,796	(1,113)	496
<b>Total investments in foreign subsidiaries</b>		<b>12,266</b>				
<b>Total investments in subsidiaries</b>		<b>4,621,949</b>				
<b>INVESTMENTS IN ASSOCIATES - ITALY</b>						
Consortium for the Research into Advanced Materials (CORIMAV)	Milan	104	100%	104	104	-
Eurostazioni S.p.A.*	Rome	39	33%	120	71	31
<b>Total investments in associates - Italy</b>		<b>143</b>				
<b>Total investments in associates</b>		<b>143</b>				

\* balance sheet at November 30, 2025

# **Report of the Board of Statutory Auditors to the Shareholders' Meeting**

**pursuant to article 153 of the TUF and article 2429(2) of the  
Italian Civil Code**

Dear Shareholders,

The Board of Statutory Auditors of Pirelli & C. S.p.A. ("**Pirelli**" or the "**Company**") which also acts as the "Internal Control and Audit Committee" pursuant to Legislative Decree no. 39 of 27 January 2010 - pursuant to Article 153 of Legislative Decree no. 58 of 24 February 1998 as subsequently amended and supplemented, ("**TUF**") and the applicable provisions of the Italian Civil Code ("**Italian Civil Code**"), as well as the applicable reference legislation - presents this report ("**Report**") to the Shareholders' Meeting convened to approve the financial statements of the Company for the year ending 31 December 2025 ("**Financial Statements**"), to document the supervisory activities carried out during the financial year and any omissions and misconduct it might have detected.

This Report has been drawn up in compliance with the indications provided by Consob in Communications DAC/RM/97001574 of 20 February 1997 and DEM/1025564 of 6 April 2001, as amended and supplemented by Communications DEM/3021582 of 4 April 2003 and DEM/6031329 of 7 April 2006.

In FY 2025, the Board of Statutory Auditors carried out its supervisory activities as required by current legislation, taking into account the provisions of European Regulation 537/2014, the rules of conduct for the boards of statutory auditors of listed companies, as recommended in the document issued by the *Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili* (the Italian national association of chartered accountants and auditors) last updated in December 2024 ("**Rules of Conduct**"), the Consob provisions on company controls and the activities of the Boards of Statutory Auditors and the indications contained in the Corporate Governance Code for listed companies approved by the Corporate Governance Committee of Borsa Italiana S.p.A. in January 2020, to which Pirelli has adhered ("**Corporate Governance Code**").

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The Board of Statutory Auditors in office at the date of the Report - appointed by the Shareholders' Meeting of 28 May 2024 for the financial years 2024-2026 (and therefore expiring with the approval by Pirelli's Shareholders' Meeting of the financial statements for the year ending 31 December 2026) - is composed of the Standing Auditors Riccardo Foglia Taverna ("**Chairman**"), Francesca Meneghel, Teresa Naddeo, Maura Campra and Riccardo Perotta, and the Alternate Auditors Franca Brusco, Roberta Pirola and Enrico Holzmueller.

Pursuant to both Article 148, paragraph 3, of the TUF and the provisions of the Corporate Governance Code, also taking into account the "Diversity and Independence Statement" and the "Independence Criteria" adopted by the Company's Board of Directors, the Board of Statutory Auditors following its appointment and subsequent taking of office on 27 June 2024, successfully verified, in addition to compliance with the requirements envisaged by the "gender balance" legislation, the existence of the independence requirements, integrity and professionalism of its members declared at the time of appointment. The Board renewed this assessment on an annual basis, on 18 March 2025 and subsequently on 23 March 2026, confirming that all its members continued to meet the requirements for holding office as provided for by law and by the Corporate Governance Code, also taking into account the corporate procedures mentioned above.

The Board of Directors in office as at the date of the Report consists of 15 Directors, 13 of whom qualify as non-executive and, among the latter, 9 of whom are deemed to meet the independence requirements set forth by the Corporate Governance Code and the TUF.

### **SUPERVISION OF COMPLIANCE WITH LAW AND BYLAWS AND COMPLIANCE WITH THE PRINCIPLES OF PROPER ADMINISTRATION**

The entire Board of Statutory Auditors participates - in addition to Board meetings - in the activities of the Audit, Risks and Corporate Governance Committee, the Remuneration Committee and the Related-Party Transactions Committee ("**RPT Committee**"); the Chairman is also invited to attend meetings of the Appointments and Successions Committee, the Strategies Committee and the Sustainability Committee. The Board of Statutory Auditors also attends the Shareholders' Meeting.

During FY 2025, the Board of Statutory Auditors held a total of 16 meetings (of which the minutes containing the supervisory activities performed were drawn up) and attended nine meetings of the Board of Directors, one Shareholders' Meeting and meetings of the board committees, including in its capacity as the Internal Control and Audit Committee, pursuant to Article 19 of Legislative Decree 39/2010 as most recently amended by Legislative Decree No. 125 of 6 September 2024. In particular, the members of the Board of Statutory Auditors attended five meetings of the Audit, Risks and Corporate Governance Committee (held jointly with the Supervisory Body established pursuant to Legislative Decree No. 231 of 8 June 2001), one meeting of the Remuneration Committee and one meeting of the RPT Committee. The Chairman also attended two meetings of the Strategies Committee<sup>1</sup>.

On 17 March 2025, a training session was also held for the members of the Board of Directors and Board of Statutory Auditors, organised by the Company and provided by the managers concerned, with the assistance of external expert advisors. The session focused on reviewing regulatory developments concerning sustainability reporting and on providing an in-depth analysis of Pirelli's strategy and objectives in relation to Impacts, Risks and Opportunities (so-called IROs) identified as relevant in the environmental, social and governance areas as part of the double materiality mapping for the consolidated sustainability reporting as at 31 December 2024. With regard to the consolidated sustainability reporting as at 31 December 2025 ("**Consolidated Sustainability Reporting**"), the Board of Statutory Auditors continued to receive regular updates, including an update on the double materiality analysis, as well as information regarding the reporting and compliance process.

The Board of Statutory Auditors also received detailed information and regular updates from the relevant Company departments regarding activities carried out pursuant to Legislative Decree 138/2024 on cybersecurity.

Attendance at the meetings of all the corporate bodies and internal committees, including through the Chairman, enabled a constant exchange of information with the aforementioned bodies and with

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<sup>1</sup> In the Report on the Corporate Governance and Share Ownership for FY 2025 ("**2025 Corporate Governance Report**"), evidence is provided of the attendance of the members of the Board of Statutory Auditors at the meetings of the corporate bodies and board committees.

the relevant company departments (administration, internal audit, compliance, tax, information security, sustainability, and those responsible for risk control and management), with the manager responsible for the preparation of the corporate financial documents, Mr Fabio Bocchio (the “**Manager Responsible**”, also appointed to prepare the Consolidated Sustainability Reporting), as well as with the Supervisory Body. During its regular meetings, the Board received continuous updates from the external auditing firm (which is also responsible for certifying the compliance of the Consolidated Sustainability Reporting, in the form of limited assurance) and had the opportunity to meet the chairmen of the Boards of Statutory Auditors of the main Italian subsidiaries, from whom it received information regarding the performance of such subsidiaries and the functioning of their respective control and risk management systems.

In general, the Board of Statutory Auditors monitored compliance with the law, the Bylaws and the Corporate Governance Code to which Pirelli adheres. The Board of Statutory Auditors also learned about and monitored, to the extent of its responsibilities, the adequacy of the Company's organisational structure and its actual functioning, compliance with the principles of proper administration and the adequacy of the instructions issued by the Company to its subsidiaries, pursuant to Article 114, paragraph 2 of the TUF.

The Board of Statutory Auditors also supervised the fulfilment of disclosure requirements regarding regulated and inside information and “internal dealing”, with particular regard to compliance with the handling of inside information and the procedure adopted by the Company for the dissemination of statements and information to the public (“**MAR Procedure**”).

The Board of Statutory Auditors also supervised the fulfilment of disclosure requirements regarding regulated information. In this regard, the Board of Statutory Auditors verified, inter alia, the correctness of the procedure for increasing Pirelli's share capital, which was increased from 1,904,374,935.66 euros to 2,065,650,608.36 euros following the exercise of the conversion right – exercised between 09 December 2025 and 17 December 2025 at a price of 5.8493 euros per share (including share premium), as last adjusted on 23 June 2025 – by the holders of the interest-free senior unsecured guaranteed equity-linked bonds denominated “*EUR 500 million Senior Unsecured Guaranteed Equity-linked Bonds due 2025*” (the “**Bond**”). In response to conversion requests relating to the Bond with a nominal value of 496,500,000.00 euros, the Company issued 84,881,933 ordinary shares pursuant to the share capital increase resolution adopted by the Extraordinary Shareholders' Meeting on 24 March 2021 in service of the Bond, the convertibility of which had been approved on that occasion. The change in share capital was announced to the market on 22 December 2025, and the completion of the capital increase was registered in the Companies Register on 23 January 2026, together with the amended Bylaws, to adjust the amount of subscribed and paid-up share capital and to remove from the Bylaws the provision relating to the possibility of a capital increase resulting from the conversion of the now-extinguished Bond Issue.

With regard to the information requested by the supervisory authorities, the Board of Statutory Auditors acknowledges that it received requests from Consob for information, data and documents pursuant to Article 115 of the TUF during the 2025 financial year, to which it responded within the required and/or agreed timeframes. The Board of Statutory Auditors was also promptly informed by the Company of the requests pursuant to Article 115 of the TUF sent to it by Consob, noting that a

timely response was provided to the requests received within the required and/or agreed timeframes. The Board of Statutory Auditors acknowledges that no further requests for clarification and/or additional documents were received from Consob.

In line with previous financial years, the Board of Statutory Auditors has been kept constantly informed and updated about the current and foreseeable effects, direct and indirect, in both qualitative and quantitative terms, of the Russia-Ukraine crisis on business activities, exposure to affected markets, supply chains, the financial situation and economic results reported in the Directors' report on operations and the Financial Statements and Consolidated Financial Statements of Pirelli ("**Consolidated Financial Statements**", together with the "**Financial Statements**"); the Board of Statutory Auditors obtained information on the effects of the aforementioned crisis on the Group headed by Pirelli ("**Pirelli Group**" or "**Group**") also taking into account the restrictive measures adopted in this regard by the EU. The Board of Statutory Auditors acknowledges that it has supervised and verified that the Company has put in place (taking into account the indications of the Compliance & Rules department) the functional safeguards to ensure compliance with the restrictive measures, as required by Consob's Call for Attention 3/22 of 19 May 2022.

The Board of Statutory Auditors was also informed of the risks relating to the current international geopolitical context.

As part of this supervisory activity, the Board of Statutory Auditors received information from the Directors, management and the auditing firm at the meetings and at least once every quarter, according to the provisions of the "Procedure for information flows to the Directors and Statutory Auditors" adopted by the Company, concerning the activities carried out, the most significant transactions in terms of strategy, economics, finance and equity carried out by the Company and its subsidiaries, and on sustainability activities. The Board of Statutory Auditors can reasonably regard the information flow established as adequate for its purposes and guarantee that the resolutions adopted on the basis of suitable documentation comply with the law and the Bylaws and are not manifestly imprudent, reckless or in conflict of interest, or in violation of the resolutions passed by the Shareholders' Meeting, or such as to compromise the integrity of the company's assets.

#### *GOLDEN POWER REGULATIONS*

It should be recalled that pursuant to the measure communicated to the Company on 16 June 2023 whereby the Council of Ministers exercised special powers as per Decree law no. 21 of 15 March 2012 (the "**Golden Power Decree**"), Pirelli is required to send the Ministry of Enterprises and Made in Italy ("**MIMIT**"), as the competent administration, within thirty days of approval of the annual financial statements, starting from those related to 2023, a report drafted by the Board of Statutory Auditors, communicating the measures adopted in compliance with the decisions taken with the Golden Power Prime Ministerial Decree and any other relevant corporate or business measure in relation to the same ("**Monitoring Report**").

In compliance with the requirements of the Golden Power Decree, the Board of Statutory Auditors drew up the second Monitoring Report, which was sent on time.

It should be noted that, following the monitoring report on the events and conduct that occurred in the period immediately following the issuance of the Golden Power Decree, on 31 October 2024 the Presidency of the Council of Ministers decided to initiate administrative proceedings regarding a possible violation by China National Tire & Rubber Corporation, Ltd. (“**CNRC**”) of the provisions contained in the Golden Power Decree (“**Sanctioning Proceedings**”). In particular, the proceedings concerned the potential violation of the provision to guarantee the absence of any organisational-functional connections between Pirelli, on the one hand, and CNRC, on the other. These proceedings were dropped by the Presidency of the Council of Ministers on 26 September 2025, which determined that the alleged liability of CNRC, in relation to the requirement to ensure the absence of organisational and functional links between Pirelli on the one hand and CNRC on the other, had not been confirmed by the evidence gathered, since the conduct of the non-independent directors appointed by CNRC during the period in question (from 16 June 2023 to 31 October 2024) did not result in actions or decisions capable of prejudicing Pirelli’s managerial autonomy.

In compliance with Article 2 of Decree-Law No. 21 of 15 March 2012 and the provisions of the Golden Power DPCM, on 30 January 2026 the shareholders Camfin S.p.A. (“**Camfin**”) and Marco Tronchetti Provera & C. S.p.A. (“**MTP&C**”) submitted to the Presidency of the Council of Ministers the notification required pursuant to Decree-Law no. 21 of 15 March 2012, in relation to the decision, announced on 23 January 2026, not to renew the Shareholders’ Agreement Renewal<sup>2</sup>. Subsequently, on 3 February 2026, the shareholder CNRC also submitted to the Presidency of the Council of Ministers the notification required pursuant to Decree-Law no. 21 of 15 March 2012, in relation to the non-renewal of the Shareholders’ Agreement Renewal.

The Board of Statutory Auditors was informed that, on 6 March 2026, the Presidency of the Council of Ministers notified the Company that it had ordered the consolidation of the proceedings (“**2026 Golden Power Proceedings**”).

At the end of the 2026 Golden Power Proceedings, the Board of Statutory Auditors acknowledged the content of the decision communicated to the Company on 10 April 2026, in which the Council of Ministers again exercised special powers pursuant to the Golden Power Decree (“**2026 Decision**”).

2026 Decision confirmed that Pirelli – which already holds Strategic Industrial Security Clearance – is one of the companies that hold assets and interests of strategic importance within the meaning of Article 2 of the Golden Power Decree and, specifically, Articles 6 and 9 of Prime Ministerial Decree no. 179 of 18 December 2020.

The 2026 Decision held that, in the absence of the Shareholders’ Agreement Renewal, the need to safeguard the assets held by Pirelli can be met, to an adequate and proportionate extent, through the imposition of further requirements together with the reinstatement of some of the requirements

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<sup>2</sup> The Shareholders’ Agreement Renewal indicates the shareholders’ agreement entered into on 16 May 2022 by China National Chemical Corporation Limited, CNRC, CNRC International Limited, Fourteen Sundew S.à r.l., Marco Polo International Italy S.r.l., Camfin and MTP&C, which came into force on 19 May 2023, the date of publication of the notice convening the Pirelli Shareholders’ Meeting for the approval of the financial statements as at 31 December 2022 and the effect of which was suspended from 19 May 2023 to 16 June 2023, the date on which the Government notified the Company and the other parties concerned of the decree of 16 June 2023.

contained in the decree of 16 June 2023.

The 2026 Decision assigned the Board of Directors the task of monitoring compliance with the requirements imposed therein, starting from approval of the 2026 financial statements.

### **SUPERVISORY ACTIVITIES ON THE ADEQUACY OF THE ORGANISATIONAL STRUCTURE**

The Board of Statutory Auditors has assessed the Company's organisational structure as being adequate for the nature, needs and size of the same, as well as being suitable to ensure compliance with the principles of proper administration and the pursuit of the corporate purpose.

The Board of Statutory Auditors also acknowledged that the Board of Directors has periodically considered that, pursuant to the combined provisions of Articles 2380-*bis*, paragraph 1, and 2381, paragraph 5, of the Italian Civil Code, as well as the provisions of Article 2086, paragraph 2, of the Italian Civil Code, the organisational, administrative and accounting structure of the Company and the Group is appropriate to the nature and size of the business.

The Report on Corporate Governance and Share Ownership for the 2025 financial year ("**2025 Corporate Governance Report**") details the structure of the powers granted to the Executive Vice Chairman and the Chief Executive Officer and indicates the matters reserved for Pirelli's Board of Directors in office until the approval of the financial statements as at 31 December 2025.

The Board of Statutory Auditors also took note of the report made by the Manager Responsible who, most recently, when the draft financial statements were being approved, on 16 April 2026, confirmed the adequacy and appropriateness of the powers and resources conferred on him by the Board of Directors, and also confirmed that he had been given direct access to all the information necessary to produce accounting and sustainability data, without needing to obtain any authorisation. The Board of Statutory Auditors also acknowledged that the Manager Responsible had reported that he had participated in the development of internal flows of information for accounting and sustainability purposes and had approved all corporate procedures which impacted the Company's profitability, financial position and/or assets and liabilities. Lastly, the Board of Statutory Auditors acknowledged the correct use of accounting standards and their uniformity for the purpose of preparing the consolidated financial statements.

Please refer to the section below, "*Monitoring of the adequacy and functioning of the internal control and risk management system*" for further details regarding monitoring of the Company's internal control system.

### **SUPERVISORY ACTIVITIES ON THE ADEQUACY AND FUNCTIONING OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

The Board of Statutory Auditors assessed the internal control and risk management system as adequate in its entirety, and states that there are no findings to be submitted to the Shareholders' Meeting.

In particular, the Board of Statutory Auditors, also in collaboration with the Audit, Risks and Corporate

Governance Committee and the Supervisory Body, met with the Head of Internal Audit once every quarter. At those meetings, information was provided on the results of the audits designed to ascertain the adequacy and operational effectiveness of the internal control system, compliance with the laws and the business procedures and processes, as well as on the implementation of the related improvement plans. The Board of Statutory Auditors confirmed the effectiveness and adequacy of the internal control system and also received the audit plan for the financial year and the related final results, as well as the risk analysis and the report on activities aimed at preventing and managing risks, expressing a favourable opinion to the Board of Directors on their approval, where requested. For the sake of completeness, it should be noted that the Board of Statutory Auditors took note of the audit plan for the financial year 2026, which it assessed positively. During the meetings, the Board of Statutory Auditors was also periodically updated on the application within the Pirelli Group of the so-called Whistleblowing procedure, being able to verify - also pursuant to the provisions of Legislative Decree No. 24 of 10 March 2023 - that the Company has set up a dedicated whistleblowing channel whose management is entrusted to the Internal Audit department<sup>3</sup>. In 2025, the Board of Statutory Auditors took note of the positive results of the quality assurance review of the Internal Audit department, as is required by professional standards every five years.

To facilitate and streamline interactive discussions on matters of mutual interest, all the meetings of the Audit, Risks and Corporate Governance Committee held in 2025 were conducted jointly with the Board of Statutory Auditors and the Supervisory Body, which issued the Committee their respective half-yearly reports on the activities carried out.

The Board of Statutory Auditors confirmed that at present there is no need for measures to guarantee the effectiveness and impartiality of the corporate departments involved in the internal control and risk management system and, specifically, other than the Internal Audit department (mentioned above), the Compliance and Rules, Tax Risk Officer, Enterprise Risk Management and Information Security departments. The Board of Statutory Auditors, as part of its supervisory activities, acknowledged and shared the annual report on the governance of tax risk and the activities carried out within the Tax Control Framework ("TCF") established in accordance with the cooperative compliance regime pursuant to Legislative Decree No. 128 of 5 August 2015 during FY 2025, including its overall opinion on the adequacy of Pirelli's TCF, ensuring a suitable level of tax risk protection.

The Board of Statutory Auditors took note of the in-depth analyses and regular updates received on the activities carried out by the Information Security department and the initiatives undertaken to manage cyber security risks, including for the purposes and effects of Legislative Decree No. 138/2024, which implements the NIS2 Directive (Network and Information Security 2).

The Board of Statutory Auditors received the annual report from the Company's Data Protection Officer which showed the Company is fully compliant with privacy legislation.

The Board of Statutory Auditors received from the Supervisory Body, of which Standing Auditor Ms

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<sup>3</sup> Any reports relating to the Internal Audit department are managed by an autonomous person and/or department, independent of said department.

Maura Campa is also a member, information on the results of the control activities of said body, from which no anomalies or misconduct emerged. In particular, the Board of Statutory Auditors examined the half-yearly reports issued by the Supervisory Body in relation to compliance with the Code of Ethics and the Organisation and Control Model pursuant to Legislative Decree 231/2001 ("**Model 231**") and its implementation.

The controls specified in Law no. 262 of 28 December 2005 for the separate and consolidated financial statements highlighted that the administrative-accounting procedures had been applied correctly. The Board of Statutory Auditors acknowledged the adequacy of the administrative and accounting system, including for the purposes of the Consolidated Sustainability Reporting, as well as the implementation of adequate periodic information flows, both quantitative and qualitative, functional to the definition of the Consolidated Sustainability Reporting.

As regards Consolidated Sustainability Reporting, the Board of Statutory Auditors acknowledged, in particular, that the Company has adopted a system to monitor the content of the report which provides for: (i) a dedicated operating procedure to ensure adequate reporting of significant information pursuant to Legislative decree no. 125/2024, as well as the definition of the roles and responsibilities of the departments concerned; (ii) a control system to provide greater assurance that the main significant information is reported correctly pursuant to Legislative decree no. 125/2024; (iii) checks of the further numerical data contained in the Consolidated Sustainability Reporting after appropriate highlighting; (iv) signature of a letter of certification by the heads of Group departments with regard to the data within their sphere of competence included in the Consolidated Sustainability Reporting.

In this regard, the Board of Statutory Auditors acknowledged the completeness, adequacy and effectiveness of the procedures, processes and structures governing the production of the Consolidated Sustainability Reporting, and verified compliance with the provisions of Legislative Decree no. 125/2024. In addition, the Board of Statutory Auditors acknowledged that the Board of Directors approved the double materiality analysis, described in more detail in the Consolidated Sustainability Reporting.

**SUPERVISORY ACTIVITIES ON THE ADEQUACY OF THE ADMINISTRATIVE AND ACCOUNTING SYSTEM AND ON THE STATUTORY AUDITING OF ACCOUNTS AND SUPERVISORY ACTIVITIES PURSUANT TO LEGISLATIVE DECREE NO. 39/2010 "EXTERNAL AUDITORS"**

The Board of Statutory Auditors, with the Audit, Risks and Corporate Governance Committee, in compliance with EU Regulation 537/2014 and Legislative Decree 39/2010 as subsequently amended and supplemented, in relation to financial and sustainability reporting, monitored the following aspects:

- the management and accounting system and the process for financial reporting and consolidated sustainability reporting;
- the effectiveness of the internal control, internal audit and risk management systems;

- the external audit of the annual and consolidated accounts;
- the independence of the external auditor, in particular taking into account the provision of non-auditing services;
- the results of the external audit with specific reference to the additional report pursuant to article 11 of EU Regulation 537/2014.

The firm appointed to undertake the external audit of the accounts of the Company is PricewaterhouseCoopers S.p.A. ("**PWC**"). The appointment as external auditor of the accounts was made by the Shareholders' Meeting, on the reasoned proposal of the control body, in its meeting on 1 August 2017, for the nine year period 2017-2025, pursuant to the applicable provisions for listed companies (the appointment was effective from 4 October 2017, the date Pirelli's shares were admitted to trading). PWC was also appointed as external auditor of the accounts of the principal Pirelli Group companies in Italy and abroad. The PWC appointment is therefore scheduled to expire with the approval of the financial statements for FY 2025.

The Shareholders' Meeting of 28 May 2024 appointed KPMG S.p.A. ("**KPMG**") as the auditing firm for the nine-year period 2026-2034. The appointment was brought forward by two financial years, in order to ensure a smooth takeover between PWC and the new external auditor, taking into account the size and complexity of the Group, and considering the so-called "cooling-in" period provided for by EU Regulation 537/2014, in compliance with national best practices. The Board of Statutory Auditors monitored KPMG's selection process for the period 2026-2034 and noted that the Company has implemented all the necessary safeguards to ensure compliance with the "cooling-in" period as of 1 January 2025 as well as launching the activities needed for liaising with the external auditor.

The Board of Statutory Auditors, acting as the Internal control and Audit Committee monitored the adequacy of the administrative and accounting structure, the financial and sustainability reporting process and the independence of PWC.

The Board of Statutory Auditors met PWC at least every quarter, pursuant to Article 150, paragraph 3 of the TUF and article 19, paragraph 1 of legislative decree 39/2010 as most recently amended by Legislative Decree No. 125 of 6 September 2024. No fundamental issues or significant shortcomings in the internal control system related to the financial and sustainability reporting process arose in these meetings.

It should be noted that PWC illustrated the audit plans of the Financial Statements, the Consolidated Financial Statements and the Consolidated Sustainability Reporting as at 31 December 2025 to the Board of Statutory Auditors, which expressed its positive opinion.

The Board of Statutory Auditors noted that PWC:

- issued its report pursuant to article 14 of legislative decree 39/2010 and article 10 of Regulation EU 537/2014 on 21 April 2026. This containing its unqualified opinion stating that the separate and consolidated financial statements provide a truthful and accurate representation of the equity and financial position of Pirelli and of the group as at 31 December

2025, and of the economic results and cash flow for the financial year that closed on that date, in compliance with applicable accounting standards, and provided evidence of key aspects of their audit;

- issued a coherence opinion indicating that the Report on Operations accompanying the Financial Statements as at 31 December 2025, and some specific information contained in the 2025 Corporate Governance Report, as laid down in article 123-*bis*, paragraph 4, of the TUF have been drafted in compliance with current legislation;
- as regards possible significant errors in the report on operations, stated that, based on the knowledge and understanding of the company and its market that it had acquired in the course of the audit activities, it had no matters to raise;
- confirmed the Company's statement regarding the fact that no other assignments have been given to persons or entities with on-going relationships with the external auditor itself;
- issued a judgement on compliance with the provisions of Delegated Regulation (EU) 815/2019, which shows that the Financial Statements were prepared in XHTML format and that the Consolidated Financial Statements were tagged in compliance with the provisions of the Delegated Regulation;
- on 21 April 2026, provided the Board of Statutory Auditors with the additional report referred to in article 11 of regulation EU 537/2014, indicating that there were no significant shortcomings in the internal control system in relation to the financial reporting process that needed to be brought to the attention of persons responsible for "governance" activities ("**Report pursuant art. 11**");
- on 21 April 2026, issued the report pursuant to Article 14-*bis* of Legislative Decree 39/2010, relating to the limited examination of Pirelli Group's Consolidated Sustainability Reporting as at 31 December 2025, reporting that, based on the activities carried out, no matters had come to their attention that would suggest that Pirelli Group's Consolidated Sustainability Reporting for the year ended 31 December 2025 had not been prepared, in all significant aspects, in accordance with the reporting standards adopted by the European Commission pursuant to Directive (EU) 2013/34/EU (European Sustainability Reporting Standards, "**ESRS**") and that the information contained in the disclosure section pursuant to Art. 8 of Regulation (EU) 2020/852 (Taxonomy) of the Consolidated Sustainability Reporting had not been prepared, in all significant aspects, in accordance with Article 8 of EU Regulation 2020/852.

The section "Inherent Limitations in the Preparation of Consolidated Sustainability Reporting" states that, for the purpose of reporting prospective information in accordance with ESRS, Directors are required to prepare this information on the basis of assumptions, described in the Consolidated Sustainability Reporting, regarding events that may occur in the future and possible future actions by the Company. Given the uncertainty associated with the realisation of any future event, both in terms of the event actually occurring and the extent and timing of its occurrence, deviations between actual values and prospective information could be

significant. The disclosures provided by the entity regarding Scope 3 emissions are subject to greater inherent limitations than Scope 1 and Scope 2 emissions, due to the limited availability and relative accuracy of the information used to define Scope 3 emissions information, both quantitative and qualitative, related to the value chain;

- annexed to the additional report, PWC provided the Board of Statutory Auditors, pursuant to article 6 of regulation EU 537/2014, with a statement from which no situations emerge that could compromise the independence of the external auditor (for more details concerning the provision of non-auditing services, see the paragraph entitled "*supervising the independence of the external auditor, in particular with regard to the provision of non-auditing services*" in this report).

The Board of Statutory Auditors also took note of the transparency report drafted by PWC and published on its web site, pursuant to article 18 of legislative decree 39/2010.

The texts of the aforementioned reports – drafted in accordance with the applicable legal provisions – do not contain any elements to bring to the attention of the Shareholders' Meeting.

The Board of Statutory Auditors also considered that no “significant shortcomings” in the internal control system for the financial reporting process emerged in the letter of recommendations to the management drafted by PWC.

The Board of Statutory Auditors and PWC verified that the Company's financial and sustainability reporting, as well as its electronic reporting (ESEF), ensure consistency, transparency and compliance with the relevant regulations.

#### *SUPERVISING THE INDEPENDENCE OF THE EXTERNAL AUDITOR, IN PARTICULAR WITH REGARD TO THE PROVISION OF NON-AUDITING SERVICES*

The Board of Statutory Auditors monitored the independence of the external auditing firm and, specifically, received periodic evidence of the non-auditing assignments granted to PWC and the companies in its network, including by virtue of specific regulatory provisions.

The Board of Statutory Auditors notes that the same audit work was carried out on KPMG and the firms belonging to its network, starting from the beginning of 2026, the period covered by the audit conducted by it.

With regard to the independence of the external auditor an operating procedure applicable to all Group companies has been issued, most recently amended in October 2023 (“**Operating Procedure**”) which, in accordance with the provisions of Legislative Decree no. 39/2010, forbids all Pirelli Group companies from assigning tasks other than the external audit of the accounts to companies that are members of the network of the appointed external auditor without the prior express authorisation of the Board of Statutory Auditors, which, with the help of the relevant corporate structures, has the responsibility of checking that the proposed assignment is not listed as prohibited under article 5 of EU Regulation no. 537/2014, and that in any event, given its characteristics (considering the payment planned, the nature of the service and the reasons for the

assignment), said assignment complies with the principles of independence of the external auditor and has no impact on the independence of the same.

In a letter dated 21 April 2026, PWC confirmed its independence pursuant to article 6, paragraph 2) of Regulation EU 537/2014 and paragraph 17, letter a) of International Audit Standard (IAS) 260.

During the 2025 financial year, PWC and the companies belonging to its network carried out the activities summarised below for the Group. These activities were the object of assignments approved by the Board of Statutory Auditors where they do not relate to tasks assigned before the Company was listed:

<i>(in migliaia di euro)</i>	<b>Soggetto che ha erogato il servizio</b>	<b>Destinatario</b>	<b>Onorari parziali</b>	<b>Onorari totali</b>	
Servizi di revisione	PricewaterhouseCoopers S.p.A.	Pirelli & C. S.p.A.	93		
	PricewaterhouseCoopers S.p.A.	Società Controllate	1.584		
	Network PricewaterhouseCoopers	Società Controllate	1.615	<b>3.292</b>	85%
Servizi di attestazione (1)	PricewaterhouseCoopers S.p.A.	Pirelli & C. S.p.A.	205		
	PricewaterhouseCoopers S.p.A.	Società Controllate	118		
	Network PricewaterhouseCoopers	Pirelli & C. S.p.A.	25		
	Network PricewaterhouseCoopers	Società Controllate	47	<b>395</b>	10%
Servizi diversi dalla revisione	PricewaterhouseCoopers S.p.A.	Pirelli & C. S.p.A.	-		
	PricewaterhouseCoopers S.p.A.	Società Controllate	64		
	Network PricewaterhouseCoopers	Pirelli & C. S.p.A.	107		
	Network PricewaterhouseCoopers	Società Controllate	-	<b>171</b>	5%
			<b>3.858</b>		<b>100%</b>

(1) nella voce "Servizi di attestazione" sono indicate le somme corrisposte per altri servizi che prevedono l'emissione di una relazione di revisione nonché le somme corrisposte per gli incarichi di cd. servizi di attestazione in quanto sinergici con l'attività di revisione legale dei conti.

The Board of Statutory Auditors considers the fees mentioned above to be adequate to the size, complexity and characteristics of the work carried out, and also considers that the non-audit assignments (and their fees) are not such as to have an impact on the independence of the external auditor.

It should be noted that, pursuant to Regulation (EU) no. 537/2014, the Board of Statutory Auditors, as the Internal Control and Audit Committee, is required to monitor the assignments other than auditing attributed to the External Auditor appointed in order to comply with the limit of 70% of the average fees paid in the last three financial years for the external audit. The Operating Procedure regulates a specific procedure to enable compliance with the above-mentioned rule.

The Board of Statutory Auditors, therefore, notes:

- that it assessed the adequacy of this procedure which is adequate to allow the Board of Statutory Auditors to understand the reasons for the proposal to assign a service other than an external audit and to possess all the data required to carry out the assessments;
- that it shared with PWC the methodological system used for the calculation and periodic update of the aforementioned fee cap and payments made to the external auditor for non-audit tasks carried out, and that said methodological system is deemed adequate for the purpose of monitoring compliance with the independence requirements of the external auditor itself, and
- that the remuneration received by PWC during 2025 for services other than external auditing

do not exceed 70% of the average remuneration for the external audit carried out at Pirelli and received in the three-year period 2022-2024.

#### *COMMENTS ON THE 2025 DRAFT BUDGET, THE PREPARATION PROCESS OF THE CONSOLIDATED SUSTAINABILITY REPORTING, AND SUPERVISION OF THE FINANCIAL AND NON-FINANCIAL REPORTING PROCESS*

The Board of Statutory Auditors, having verified that there are adequate rules and processes governing the “formulation” and “dissemination” of financial and sustainability information relevant for the purposes of Legislative Decree 125/2024, considers that the financial and sustainability information reporting process is adequate, and believes that there are no issues to raise with the Shareholders’ Meeting in this regard.

In addition to the annual and half-yearly reports, the Company voluntarily publishes the additional periodic financial information, in compliance with article 82-ter (so-called interim financial reports) provided for by the regulation approved by Consob in resolution 11971 of 14 May 1999 as subsequently amended and supplemented (“**Issuers’ Regulation**”), for the periods ending 31 March and 30 September each year. The Board of Statutory Auditors has verified that the aforementioned documents – on which it had no comments to make– have been duly made available to the public in accordance with the law and best corporate practice.

In relation to the single electronic reporting format for annual financial reports (so-called ESEF), in line with the provisions of Directive 2013/50/EU, amending Directive 2004/109/EC, and EU Delegated Regulation 2019/815, the annual report as at 31 December 2025 (“**Annual Report**”)<sup>4</sup> has been prepared in accordance with the XHTML format (European Single Electronic Format - ESEF). Therefore, the items of the consolidated financial statements and the notes to the consolidated financial statements have been tagged in accordance with the taxonomy provided by Delegated Regulation (EU) 2019/815. The Company has used the ESEF XBRL 2022 taxonomy as a reference taxonomy for this Annual Report, which are therefore to be considered ESEF compliant.

The Board of Statutory Auditors specifically checked the following: (i) the data and information contained in the Annual Report of Pirelli are coded based on the provisions of the ESEF XBRL 2022 taxonomy in force and that (ii) the Directors, based on the assessments carried out on compliance or non-compliance of the Annual Report with Delegated Regulation (EU) 2019/815, implementing the delegation contained in Directive 2004/109/CE, as amended by Directive 2013/50/EU, and with the provisions of article 2423 of the Civil Code, have made the declarations required by law.

It should be noted that Pirelli's Financial Statements have been drawn up based on the IAS/IFRS international accounting standards issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, in force on 31 December 2025 and in accordance with the instructions issued in implementation of article 9 of legislative decree 38/2005. The Financial

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<sup>4</sup> Annual Report is understood to mean a document including the Directors’ Report on Operations which includes the Consolidated Sustainability Reporting, the Report on the Corporate governance and share ownership, the Report on the remuneration policy and the compensation paid, the Consolidated Financial Statements, the Financial Statements, the resolution regarding the approval of the financial statements and the Certifications.

Statements also include the notice required by law 124/2017 (art. 1, paragraphs 125-129).

The principal risks and uncertainties are summarised in the Directors' report on operations, and there is a section on the outlook for the coming year.

The Financial Statements are composed of the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and explanatory notes.

The Financial Statements are accompanied by (i) the Directors' Report on Operations, which includes the Consolidated Sustainability Reporting prepared pursuant to Legislative Decree no. 125/2024 prepared by the Company in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and the legislative decree no. 125 of 6 September 2024 and with the specifications adopted pursuant to Article 8, paragraph 4 of EU Regulation 2020/852 of the European Parliament and of the Council, of 18 June (EU Taxonomy Regulation), (ii) by the 2025 Corporate Governance Report, prepared pursuant to Article 123-*bis* of the TUF and (iii) by the certification of the Chief Executive Officer and the Manager Responsible made pursuant to Article 154-*bis*, paragraphs 5, 5-*bis* and 5-*ter* of the TUF. The third-party certification required by applicable regulations is provided at the end of the Annual Report. It should be noted that the assurance activities of PWC related to the consolidated sustainability reporting [entail verification of the preparation and publication of the information required by EU Regulation 2020/852, in compliance with the instructions given by Assirevi to auditing firms through Research Document No. 243 of February 2022, entitled "External Auditor's activities on disclosure pursuant to Article 8 of Regulation 2020/852 - Taxonomy Regulation". The Annual Report also include the Report on the remuneration policy and the compensation paid, containing the 2026 remuneration policy ("**2026 Policy**") and the report on compensation paid in 2025.

The Board of Statutory Auditors examined the specific certification of the Chief Executive Officer and the Manager Responsible rendered, with reference to the Financial statements, the Consolidated Financial Statements and the Consolidated Sustainability Reporting, in accordance with the provisions of Article 154-*bis*, paragraphs 5, 5-*bis* and 5-*ter* of the TUF, according to the model established by Consob, finding no aspects worth note.

Pirelli's Consolidated Financial Statements for FY 2025 present the following summary data:

Revenues	€ 6,776.2 million
Operating income (EBIT)	€ 891.2 million
Adjusted EBIT	€ 1,081.4 million
Consolidated net profit	€ 530.7 million

Net financial position was equivalent to 1,102.0 million euros, compared to 1,925.8 million euros at

31 December 2024.

Parent company Pirelli closed the financial year with positive net income to the amount of 285.2 million euros (302.0 million euros in 2024).

The most significant events that occurred during the financial year, as well as those that occurred after its closure, are detailed in the Directors' report on operations and in the Notes to the Financial Statements, to which reference should be made.

#### *UNUSUAL AND/OR EXCEPTIONAL TRANSACTIONS*

We are unaware of any atypical and/or unusual transactions during the year, as defined by Consob in Decision DEM/6064293 of 28 July 2006.

#### *INTRAGROUP OR RELATED PARTY TRANSACTIONS*

Pursuant to Article 2391-*bis* of the Italian Civil Code and Consob Resolution 17221 of 12 March 2010 containing provisions on related-party transactions, as subsequently updated and amended ("**Consob RPT Regulation**"), the Company has adopted a specific "Related-Party Transactions Procedure" ("**RPT Procedure**"), most recently updated on 9 May 2024.

The Board of Statutory Auditors, given the supervisory tasks required by the applicable regulations, monitored the correct application of the provisions of the RPT Procedure. Pursuant to article 4, paragraph 6, of the Consob RPT Regulation, it should be noted that the RPT Procedure adopted by the Company and currently in force ensures the transparency of the decision-making process and substantive and procedural fairness of related-party transactions, is coherent with the principles contained in said Regulation, and is published on the Company's website ([www.pirelli.com](http://www.pirelli.com)).

Transactions with related parties mainly include transactions with subsidiaries relating to services (technical, organisational, general) provided by the head office; charging of royalties for use of the brand; and financial transactions. This also includes transactions carried out with companies belonging to the Sinochem Group. These transactions cannot be qualified as atypical or unusual, as they are part of the ordinary course of business of the Group companies and are carried out in the interest of the individual companies. These transactions, when not concluded at standard conditions or dictated by specific regulatory conditions, are in any case regulated at conditions in line with market conditions. Furthermore, they were carried out in compliance with the RPT Procedure.

In 2025, the Board of Statutory Auditors noted that the RPT Committee had issued a favourable opinion regarding a transaction with related parties of "lesser significance" and the adoption of a framework resolution of "lesser significance", having assessed the Company's interest in carrying out the transaction and adopting the aforementioned resolution, as well as on the appropriateness and substantive fairness of the related conditions. In this regard, the Board of Statutory Auditors has always expressed the view that they were in the interests of the Company.

The Board of Statutory Auditors received periodic communications from the Company regarding related-party transactions not examined by the RPT Committee, noting that they were of an ordinary

nature (i.e. they were part of normal business operations or related financial activities) and/or concluded at market equivalent or standard terms and/or intragroup and were in the interest of the Company. The above-mentioned periodic communications also provide an update on the execution of related party transactions approved by the RPT Committee, including when carried out by Italian or foreign subsidiaries.

The economic and financial effects of the aforesaid transactions for the financial year 2025 are fully reflected in the Financial Statements and adequately disclosed in the notes to the Financial Statements.

The Board of Statutory Auditors monitored compliance with the RPT Procedure and the correctness of the process followed by the RPT Committee regarding the qualification of related parties and has nothing to report in this regard.

### *IMPAIRMENT TEST PROCEDURE*

The Board of Statutory Auditors verified that on 25 February 2026, as provided for by the joint Banca d'Italia/Consob/ISVAP document of 3 March 2010, the Board of Directors, independently, and before approval of the draft financial statements as at 31 December 2025 - on 16 April 2026 - resolved that the impairment test procedure complied with the provisions of international accounting standard IAS 36, after discussing the same with the Audit, Risks and Corporate Governance Committee and the Board of Statutory Auditors.

The Company carried out an impairment test on the goodwill allocated to the group of Consumer Business cash generating units and to the Pirelli brand, also with the assistance of an external expert.

Information on the assessment process conducted with the assistance of the aforesaid expert, and on its outcomes, is provided in the explanatory notes to the Financial Statements.

The Board of Statutory Auditors considers the procedure adopted by the Company to be consistent and adequate.

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With reference to the Financial Statements, the Board of Statutory Auditors confirms that Directors' report on operations complies with the current laws, reflecting the resolutions made by the administrative body and the results in the Financial Statements, and contains adequate information on operations during the year and on intra-group transactions. The section containing the report on transactions with related parties has been included in the explanatory notes to the Financial Statements, in compliance with the IFRS standards.

The explanatory notes comply with the current standards indicating the criteria used in determining the items of the Financial Statements and in the value adjustments, and that the Financial Statements have been drafted in accordance with the structure and frameworks imposed by the current standards. In application of Consob's provisions, the financial statements expressly disclose the effects of relations with related parties on the Company's profitability, financial position, assets

and liabilities and cash flows.

It should also be noted that the Directors' report on operations includes a paragraph containing a description of the principal features of the internal control and risk management system in relation to the financial reporting process, including the reporting of consolidated financial information.

The Board of Statutory Auditors acknowledged that the Consolidated Sustainability Reporting was prepared by the Directors in compliance with the provisions of Legislative Decree 125/2024 and the procedures adopted by the Company for the purposes of compliance with applicable regulations and reporting standards.

The Company did not avail itself of its right pursuant to art. 4, paragraph 5 of legislative decree 125/2024 to omit information concerning imminent developments and transactions being negotiated.

### **SUPERVISORY ACTIVITIES ON THE ACTUAL IMPLEMENTATION OF CORPORATE GOVERNANCE RULES**

The Board of Statutory Auditors assessed the Company's actual and proper application of the corporate governance rules provided for in the Corporate Governance Code (to which Pirelli adheres) and verified that they are implemented in the governance model that the Company has adopted, fully described in the 2025 Corporate Governance Report available to shareholders on the Company's website ([www.pirelli.com](http://www.pirelli.com)). The Board of Statutory Auditors, in light of the recommendations for 2026 contained in the letter of the Chairman of the Corporate Governance Committee (examined by the Audit, Risks and Corporate Governance Committee and, subsequently, by the Board of Directors), expressed a favourable opinion on Pirelli's corporate governance model, deeming it to be substantially in line with the principles contained in the Corporate Governance Code. Furthermore, the Board of Statutory Auditors acknowledged that the current provisions of the Bylaws and corporate governance practices followed by the Company are adequate to achieve the Company's interest and in accordance with the provisions of the Bylaws.

In particular, it should be noted that the Board of Statutory Auditors, also taking into account the "Diversity and Independence Statement" and the "Independence Criteria", proceeded to verify the correct application of the assessment criteria and procedures adopted by the Board of Directors to evaluate the independence of its members.

### **SUPERVISORY ACTIVITIES ON RELATIONS WITH SUBSIDIARIES**

Pirelli exercises direction and coordination activity on numerous subsidiaries, having made the communications required by article 2497-*bis* of the Italian Civil Code. The Company has issued instructions to its subsidiaries regarding compliance with the provisions of Article 114, paragraph 2, of the TUF; in this regard, the Board of Statutory Auditors, having ascertained that the Company is able to promptly and regularly fulfil the disclosure obligations set out in law and in the EU regulations, as prescribed in the aforementioned article, also by collecting information from the heads of the organisational departments, and periodic meetings with the external auditor, to exchange significant

data and information, deems these provisions to be adequate.

The Board of Statutory Auditors noted that Directors, Key Managers and/or Managers of the sector and department concerned are members of the Boards of Directors of the principal subsidiary companies able to guarantee coordinated direction and an adequate flow of information, also supported by suitable accounting information.

As already mentioned, the Board of Statutory Auditors obtained - through exchange of documents and specific meetings - information from the corresponding control bodies of the main subsidiaries with regard to their management and control systems and their general operating performance (pursuant to paragraph 1 and 2 of article 151 of the TUF). These meetings provide an important opportunity to further develop mutual knowledge and disseminate useful information for the conduct of reciprocal activities.

### **ANY OMISSIONS AND MISCONDUCT NOTED AND OPINIONS RENDERED DURING THE FINANCIAL YEAR**

The Board of Statutory Auditors acknowledges that, on 19 May 2025, the Company received a complaint pursuant to Article 2408 of the Italian Civil Code from Marco Polo International Italy S.r.l., in its capacity as a significant shareholder of Pirelli, which was subsequently supplemented on 30 May 2025.

Following receipt of such complaint, the Board of Statutory Auditors promptly initiated investigations and inquiries in accordance with current legislation, as a result of which it concluded that there were no grounds for the allegations raised by the shareholder in the aforementioned complaint.

The Board of Statutory Auditors expressed its conclusions in the Report to the Shareholders' Meeting pursuant to Article 2408 of the Italian Civil Code, published on the Company's website on 11 June 2025, and presented them to the Shareholders' Meeting of 12 June 2025, without, therefore, submitting any proposals in this regard.

For further details regarding the above complaint, please refer to the Board of Statutory Auditors' report to the Shareholders' Meeting pursuant to Article 2408 of the Italian Civil Code and to the minutes of the Shareholders' Meeting of 12 June 2025, published on the Company's website.

The Board of Statutory Auditors notes that no complaints were submitted by any party in 2025.

During 2025, the Board of Statutory Auditors has expressed the opinions required by law regarding proposals for the remuneration of Directors holding specific offices, pursuant to the provisions of article 2389 of the Italian Civil Code. In particular, at the Board of Directors' meeting on 28 April 2025, the Board of Statutory Auditors expressed a favourable opinion on the approval of: (i) the finalisation of the "2024 STI Plan", (ii) the finalisation of the "2022-2024 LTI Plan", (iii) the "2025 STI Plan", (iv) the "2025-2027 LTI Plan", (v) the 2025 remuneration report (comprising the remuneration policy for the 2025 financial year and the report on compensation paid in 2024), as well as the related reports of the Directors at the Shareholders' Meeting on compensation.

In addition, following the close of the 2025 financial year, the Board of Statutory Auditors, at the Board of Directors' meeting on 16 April 2026, expressed a favourable opinion on the approval of: (i) the finalisation of the "2025 STI Plan", (ii) the finalisation of the "2023–2025 LTI Plan", (iii) the adjustment of the TSR target for the 2023–2025, 2024–2026 and 2025–2027 LTI Plans to take account of the extraordinary transaction involving Continental AG, (iv) the "2026 STI Plan", (v) the "2026–2028 LTI Plan", as well as the related Directors' report to the Shareholders' Meeting, and (vi) the 2026 remuneration report (comprising the 2026 Policy and the report on compensation paid in 2025), as well as the related Director's report to the Shareholders' Meeting.

For more details see the report on the remuneration policy and the compensation paid.

It should be noted that the Board of Statutory Auditors, aside from the aforementioned opinions, did not issue any further opinions in FY 2025.

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Lastly, it should be noted that, during the financial year, the Board of Statutory Auditors, considering its duty to promptly notify Consob of any irregularities encountered during its supervisory activities, in a spirit of utmost cooperation and transparency, informed Consob, pursuant to Article 149 of the TUF, of any assessment within Consob's competence and for all legal purposes, submitting the relative supporting documentation.

## **BOARD EVALUATION**

With reference to 2025, the Board of Statutory Auditors once again – as recommended by the Rules of Conduct – conducted a self-assessment<sup>5</sup> with the assistance of a leading consulting firm specialised in such.

That self-assessment process is carried out through individual interviews, with questions about the suitability, size, composition and functioning of the Board of Statutory Auditors itself, in order to verify suitability, fairness and effectiveness in its functioning. The positive outcomes of the self-assessment process were discussed and shared by the Board of Statutory Auditors in the meeting held on 23 March 2026. Furthermore, in accordance with Rule Q.1.7 of the Rules of Conduct, a summary of the results of the self-assessment was submitted to the Audit, Risks and Corporate Governance Committee and the Board of Directors.

The Board of Statutory Auditors reported that the self-assessment of 2025 (the current Board of Statutory Auditors' second year of mandate) gave a decidedly positive picture of the composition and operation of the Board of Statutory Auditors, already apparent in the previous financial year.

The collaborative atmosphere and open dialogue within the Board of Statutory Auditors, with the Board of Directors and the management, are particularly appreciated. The Statutory Auditors strengthened a teamwork-based approach to support the continuous oversight of the Company, ensuring their attendance at meetings of the Board of Statutory Auditors and the Board of Directors,

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<sup>5</sup> For the purposes of this paragraph, the terms "members of the Board of Statutory Auditors" or "Statutory Auditors" exclusively refer to the Standing Auditors, as only these members participated in the self-assessment process.

and, in particular, of the Audit, Risks and Corporate Governance Committee. The size and composition of the Board of Statutory Auditors, even considering the complexity of the Group, ensure the effective discharge of its functions and an appropriate balance of technical and professional skills and experience.

The Board of Statutory Auditors also notes that the Board of Directors carried out the process to evaluate its operation and the operation of its board committees (board performance evaluation) for the 2025 financial year.

## **PROPOSALS TO THE SHAREHOLDERS' MEETING**

### **Financial statements at 31 December 2025**

The Board of Statutory Auditors, considering the results of the activities carried out and the opinion expressed by the party appointed to perform the external audit, expresses a favourable opinion on the approval of the 2025 Financial Statements and has no comments to make regarding the proposed allocation of the profit for the financial year and the distribution of the dividend, based on the profit for the financial year ending 31 December 2025 and the “Reserve retained earnings”.

### **Remuneration policy and compensation paid**

The Board of Statutory Auditors expressed a favourable opinion of the remuneration policy for the 2026 financial year subject to the binding vote of the Shareholders' Meeting and the report on compensation paid in the 2025 financial year, subject to the advisory vote of the Shareholders' Meeting and has no further observations to express to the Shareholders' Meeting.

### **Three-year monetary incentive plan for the Pirelli Group's management**

The Board of Statutory Auditors has, within the scope of its remit, expressed its approval of the adoption of the new “2026–2028 LTI Plan” and the adjustment of the TSR target for the 2023–2025, 2024–2026 and 2025–2027 LTI Plans to take account of the extraordinary transaction involving Continental AG, and has no further comments to make to the Shareholders' Meeting.

### **Other issues submitted to the shareholders' meeting for approval**

The Board of Statutory Auditors has no comments to make on the other issues submitted to the shareholders' meeting for approval (appointment of the Board of Directors and “Directors and Officers Liability Insurance” Policy).

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Pursuant to article 144-*quinquiesdecies* of the Issuers' Regulation, the list of offices held by members of the Board of Statutory Auditors in the companies listed in Book V, Title V, Chapters V, VI and VII of the Italian Civil Code is published by Consob on its website ([www.consob.it](http://www.consob.it)). It should be noted that article 144-*quaterdecies* (Consob reporting obligations) of the Issuers' Regulation establishes that a person who is a member of the controlling body of just one issuer is

not subject to the reporting obligations provided by said article, and therefore, in that case, they do not appear in the lists published by Consob.

The Company lists the main positions held by the members of the Board of Statutory Auditors in its report on the corporate governance and share ownership.

The Board of Statutory Auditors here acknowledges that all its effective members were in full compliance of the regulatory provisions laid down by Consob governing the “maximum number of positions to be held”<sup>6</sup>.

This Report was unanimously approved by the Board of Statutory Auditors.

Milan, 21 April 2026

For the Board of Statutory Auditors

The Chairman, Mr Riccardo Foglia Taverna

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<sup>6</sup> Art. 144-*duodecies* et seq. of the Issuers' Regulation.